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99-718

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1987

REPORT

OF THE

COMMITTEE ON ARMED SERVICES
U.S. HOUSE OF REPRESENTATIVES

ON

H.R. 4428

together with

ADDITIONAL AND DISSENTING VIEWS

[Including cost estimate of the Congressional Budget Office]

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99TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
99-718

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1987

JULY 25, 1986.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. ASPIN, from the Committee on Armed Services,
submitted the following

REPORT

[To accompany H.R. 4428]

together with

ADDITIONAL AND DISSENTING VIEWS

[Including cost estimate of the Congressional Budget Office]

The Committee on Armed Services, to whom was referred the bill (H.R. 4428) to authorize appropriations for fiscal year 1987 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, having considered the same, report favorably thereon with amemdments and recommend that the bill as amended do pass.

The amendment to the text of the bill is a complete substitute therefor and appears in italic type in the reported bill.

The title of the bill is amended to reflect the amendment to the text of the bill.

EXPLANATION OF THE COMMITTEE AMENDMENT

The committee adopted an amendment in the nature of a substitute during the consideration of H.R. 4428. The bill, as amended, is discussed in the remainder of the report.

PURPOSE

The bill would—

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(1) Authorize appropriations during fiscal year 1987 for (a) procurement; (b) research, development, test, and evaluation (R.D.T.&E.); (c) operation and maintenance (O&M); (d) working capital funds; and (e) civil defense;

(2) Authorize the personnel strength for each active duty component of the military departments for fiscal year 1987;

(3) Authorize the personnel strength for the Selected Reserve for each reserve component of the armed forces for fiscal year 1987;

(4) Authorize the military training student loads for each of the active and reserve components of the military departments for fiscal year 1987;

(5) Authorize changes to the procedures and policies governing the procurement of weapon systems;

(6) Modify various elements of compensation for military personnel and impose certain other requirements and limitations with respect to procurement and personnel actions in the defense establishment;

(7) Authorize appropriations during fiscal year 1987 for the Department of Energy National Security Programs; and

(8) Authorize appropriations during fiscal year 1987 for military construction and family housing.

RELATIONSHIP OF AUTHORIZATION TO APPROPRIATIONS

Understanding that the bill does not provide budget authority is important. The bill authorizes appropriations. Budget authority is provided through an appropriation act. In the Department of Defense budget, appropriations categories covered by the present legislation are procurement; research, development, test and evaluation; operation and maintenance; working capital funds; and military personnel; military construction and family housing. The bill also addresses civil defense preparedness and Department of Energy National Security Programs. The appropriation categories authorized by dollar amounts in the bill represent approximately 75 percent of the total National Defense Function.

Personnel strengths, active duty and reserve, authorized in this bill, and legislation affecting compensation for military personnel determine the remaining appropriation requirements of the Department of Defense; however, authorization of specific dollar amounts for personnel is not provided in this annual authorization legislation.

SUMMARY OF AUTHORIZATION IN THE BILL

The President requested $320.3 billion for the National Defense Function for fiscal year 1987. Of this amount, $311.6 billion was requested for the Department of Defense (including $10.1 billion for military construction and family housing), and $8.2 billion was requested for the Department of Energy National Security Programs.

The committee recommends authorizations for appropriations for the Department of Defense for fiscal year 1987 for procurement, research and development, operations and maintenance, working capital funds, military construction, family housing and for civil defense activities of the Federal Emergency Management Agency of

$210.2 billion. This amount is $25.4 billion below the total of $235.6 billion requested by the President.

By major categories, the committee recommendation is $14.0 billion below the request of the President for procurement of weapon systems; $6.2 billion below the request for Research, Development, Test and Evaluation (R.D.T.&E.); $3.8 billion below the request for operation and maintenance; $41.5 million below the request for working capital funds; $1.3 billion below the request for military construction and family housing; and the request for civil defense is unchanged.

The committee recommends authorization for appropriation for the Department of Energy National Security Programs for fiscal year 1987 of $7.6 billion, $540 million below the request of the President.

Separate recommendations included in the bill by the committee related to military personnel and compensation would result in an additional reduction from the request of the President of $2.2 billion.

The combined recommendations of the committee would result in a total reduction of $28.1 billion.

The committee recommended reduction should not imply that the threat to national security has been reduced. In fact, the military threat continues to grow. However, as noted in the committee's report on the Defense authorization bill for fiscal year 1986, the threat to national security comes from many sources and one such source is the state of the economy. The committee believes that the problem of a growing deficit must be addressed.

In order to achieve the reductions, the committee allocated reductions among the major areas within the committee's jurisdiction so as to protect the current readiness of the military force. To that end, amounts funding military personnel and operations and maintenance were reduced about 3 and 5 percent, respectively, while the remaining portion of the budget was reduced about 14 percent.

SUMMARY TABLE OF AUTHORIZATIONS

The following table provides a summary of the amounts requested and authorized for appropriation in the bill.

SUMMARY OF AUTHORIZATION PROVIDED BY THE BILL

[In millions of dollars]

	Fiscal year 1986 authorization Public Law 99-145, Public Law 99-167	Fiscal year 1987 authorization request	Committee recommendation	Authorization change from request
DEPARTMENT OF DEFENSE, MILITARY (SUBFUNCTION 051)				
Procurement				
Army:				
Aircraft	3,676.1	3,264.7	2,741.7	(523.0)
Missiles	3,272.7	2,438.2	2,361.9	(76.3)
Weapons and tracked combat vehicles	5,211.0	4,452.6	3,924.3	(528.3)
Ammunition	2,549.0	2,254.0	2,100.6	(153.4)
Other procurement	5,323.5	6,169.0	5,093.6	(1,075.4)
Total, Army	20,032.3	18,578.5	16,222.1	(2,356.4)

SUMMARY OF AUTHORIZATION PROVIDED BY THE BILL—Continued

[In millions of dollars]

	Fiscal year 1986 authorization Public Law 99-145, Public Law 99-167	Fiscal year 1987 authorization request	Committee recommendation	Authorization change from request
Navy:				
Aircraft	11,599.9	11,304.3	9,758.0	(1,546.3)
Weapons procurement	5,655.1	6,095.4	5,587.6	(507.8)
Shipbuilding and conversion	10,001.2	11,046.2	9,153.9	(1,892.3)
Other procurement	6,040.8	6,538.8	5,848.0	(690.8)
Navy Reserve equipment				
Procurement, Marine Corps	1,727.4	1,565.0	1,497.1	(67.9)
Marine Corps Reserve equipment				
Total, Navy	35,024.4	36,549.7	31,844.6	(4,705.1)
Air Force:				
Aircraft	24,435.3	19,127.4	16,746.8	(2,380.6)
Missiles	9,008.6	8,982.4	6,071.0	(2,911.4)
Other procurement	8,571.1	10,900.3	8,854.8	(2,045.5)
Air National Guard				
Total, Air Force	42,015.0	39,010.1	31,672.6	(7,337.5)
DOD NATO cooperative programs	75.0			
National Guard and Reserve equipment	658.4		509.1	509.1
Defense agencies	1,342.3	1,488.4	1,406.2	(82.2)
Defense Production Act				
DOD Chemical Demilitarization Program		120.1	120.1	
Total, procurement	99,147.4	95,746.8	81,774.7	(13,972.1)
Research, development, test and evaluation				
Army	4,848.7	5,550.3	4,818.1	(732.2)
Navy (and Marine Corps)	10,106.4	10,586.8	9,097.1	(1,489.7)
Air Force	13,719.7	17,275.4	14,129.1	(3,146.3)
Defense agencies	6,720.5	8,364.3	7,530.7	(833.6)
Director, test and evaluation	93.5	141.8	136.8	(5.0)
Director, operational test and evaluation		11.3	11.3	
Total, RDT&E	35,488.8	41,929.9	35,723.0	(6,206.9)
Operation and maintenance				
Army	19,177.4	21,341.9	20,742.8	(599.1)
Navy	24,608.8	25,688.5	24,437.0	(1,251.5)
Marine Corps	1,626.7	1,864.1	1,845.7	(18.4)
Air Force	20,096.1	21,214.5	19,562.6	(1,651.9)
Defense agencies	7,553.3	8,573.7	6,728.1	(105.1)
Army Reserve	780.1	793.1	789.8	(3.3)
Navy Reserve	900.6	975.9	907.5	(68.4)
Marine Corps Reserve	57.2	65.3	64.8	(0.5)
Air Force Reserve	902.1	975.6	927.1	(48.5)
Army National Guard	1,625.8	1,786.9	1,790.1	(3.2)
Air Force National Guard	1,806.2	1,932.7	1,783.1	(149.6)
National board for the promotion of rifle practice	.9	.9	4.3	3.4
Claims defense	143.3	155.6	153.1	(2.5)
Court of Military Appeals	3.2	3.4	3.4	
Pan American Games	10.0	15.0	15.0	
Foreign currency fluctuations, defense			495.0	495.0
Military Health Care	0.0	1,740.5	1,569.5	(171.0)
Allowance for civilian pay		735.0	[1] 559.0	(176.0)

SUMMARY OF AUTHORIZATION PROVIDED BY THE BILL—Continued

[In millions of dollars]

	Fiscal year 1986 authorization Public Law 99-145, Public Law 99-167	Fiscal year 1987 authorization request	Committee recommendation	Authorization change from request
Other legislation		102.6		(102.6)
Environmental restoration		385.9	385.9	
Aid to Afghanistan			6.0	6.0
Total, O&M	79,291.7	86,610.6	82,769.8	(3,840.8)
Working capital funds				
Defense production guarantee, FFB loans				
Army stock fund	393.0	296.7	286.7	(10.0)
Navy stock fund	638.5	478.5	458.5	(20.0)
Marine Corps stock fund	37.7	45.9	44.4	(1.5)
Air Force stock fund	415.9	239.4	239.4	
Defense stock fund	174.5	136.8	126.8	(10.0)
Total, working capital funds	1,659.6	1,197.3	1,155.8	(41.5)
Other				
Procurement technical assistance	5.0			
Repeal of Walsh Healy Act	(416.3)			
Special foreign currency	2.1	3.5	3.5	
Subtotal, other	(409.2)	3.5	3.5	
Military construction				
Army	1,685.7	1,698.6	1,336.3	(362.3)
Navy/Marine Corps	1,669.4	1,795.4	1,448.5	(346.9)
Air Force	1,759.1	1,702.8	1,358.2	(344.7)
Defense agencies	238.3	674.6	498.8	(175.8)
Army National Guard	149.1	121.1	121.1	
Air National Guard	139.0	140.0	140.0	
Army Reserve	70.7	86.7	86.7	
Naval Reserve	51.8	44.5	44.5	
Air Force Reserve	70.7	58.9	58.9	
NATO infrastructure	38.0	247.0	247.0	
Total, military construction	5,871.8	6,569.6	5,340.0	(1,229.6)
Family housing				
Army	1,627.1	1,740.6	1,670.8	(69.9)
Navy	738.7	792.9	762.2	(30.7)
Air Force	941.9	860.4	848.3	(12.1)
Defense agencies	20.3	17.6	17.6	
Homeowners assistance fund, defense		6.0	6.0	
Total, family housing	3,328.1	3,417.6	3,304.8	(112.7)
Total, MILCON and family housing	9,199.8	9,987.1	8,644.8	(1,342.4)
Total, Department of Defense, military	224,378.1	235,475.2	210,071.6	(25,403.7)
Department of Energy national security programs				
Total, Department of Energy national security programs	7,684.3	8,098.4	7,558.5	(539.9)
Other defense related activities (subfunction 054)				
Civil defense (FEMA)	130.0	126.6	126.6	.0
Total, other defense related activities	130.0	126.6	126.6	.0

SUMMARY OF AUTHORIZATION PROVIDED BY THE BILL—Continued

[In millions of dollars]

	Fiscal year 1986 authorization Public Law 99-145, Public Law 99-167	Fiscal year 1987 authorization request	Committee recommendation	Authorization change from request
Grand total	232,192.4	243,700.2	217,756.7	(25,943.5)
BUDGET BY SERVICE				
Army	47,764.1	49,206.6	45,076.7	(4,129.9)
Navy	71,059.0	74,326.7	66,550.8	(7,775.9)
Marine Corps	3,391.8	3,475.0	3,387.2	(87.8)
Air Force	78,947.7	80,302.6	67,810.1	(12,492.5)
Defense agencies	16,366.3	20,920.6	19,751.8	(1,168.8)
Guard and Reserves	7,211.6	6,980.7	7,222.7	242.0
Department of Energy	7,684.3	8,098.4	7,558.5	(539.9)
Other	(232.3)	389.5	398.9	9.4
Total	232,192.4	243,700.1	217,756.7	(25,943.4)

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[1] The committee recommendation would authorize such sums as are required for a civilian pay raise. The amount shown, $559 million, assumes a 3% pay raise in January 1987 as set out in the budget resolution.

SUMMARY OF MAJOR COMMITTEE CHANGES

The committee recommends numerous changes to the budget request of the Department of Defense, discussed in detail throughout this report, to provide needed defense capability in the most cost effective manner possible.

The committee recommends an overall level of $292.15 billion in budget authority, a reduction of $28.1 billion or about 9 percent from the request of $320.3 billion. The reduction is nearly one and one half times as large as any the committee has recommended before in a defense authorization request. This is a result of changes in literally hundreds of programs. The major committee recommendations are summarized below.

MAJOR ACTION OF THE COMMITTEE

MX-Small ICBM.—The committee effectively linked the MX and small ICBM missile systems to signify the political and strategic linkage in the programs that was recognized by the Scowcroft Commission in 1983.

First, the committee recommends approval of the request of $1.4 billion for the small ICBM, thus allowing development to proceed at full pace. Second, the committee recommends deleting the $370 million requested for research for a new and survivable basing mode for the MX missile. Third, the deployment of the 11th MX missile would be prohibited until full-scale engineering development contracts for the small ICBM have been awarded. Fourth, production of MX test missiles would be slowed; the request for 21 additional test missiles would be cut to 12, resulting in a savings of $300 million. Fifth, the committee recommends raising the weight ceiling on small ICBM from 33,000 to 37,000 pounds.

Strategic Defense Initiative.—The budget request contained $4.8 billion for the strategic defense initiative; the committee recommends authorization of $3.4 billion, a reduction of 29 percent from the request.

The budget request contained an additional $534 million in SDI-related funding in the Department of Energy request; the committee recommends $308 million.

PROCUREMENT

The committee recommends reducing the procurement request of $95.7 billion by $14.0 billion or 14.6 percent.

Bradley Fighting Vehicle.—The committee specifies a detailed requirement for a live-fire testing program on the Bradley and recommends a reduction of one-third in the program, approving 593 of the 870 vehicles requested.

SINCGARS.—The committee recommends no authorization for SINCGARS, the Army's new field radio, because of problems plaguing the program.

T-46A trainer.—The committee recommends $151 million for 12 aircraft but specifies that the program be recompeted if the cost cap of $3.1 billion in fiscal year 1986 dollars for 650 aircraft is breached.

Chemical weapons.—The committee recommends $58 million of $86.3 million requested for the 155mm chemical artillery round and $10 million of the $72.2 million requested for the Bigeye bomb. However, appropriations for the Bigeye may not be obligated until operational tests, monitored by the General Accounting Office, have been concluded and certified.

Apache, Abrams, and tactical aircraft production lines.—The committee directs the Army to prepare a plan for continued production of the AH-64 Apache attack helicopter that considers introduction of a second-source producer and to review its tank requirements (for the first time since 1977) with a view toward possible continuation of M-1 Abrams tank production. The committee recommends that four major aircraft programs (Advanced Tactical Fighter, Advanced Tactical Aircraft, F-15E, and F-14D) be managed as a single "super program" with a view toward rationalizing production and maximizing commonality of components in the Advanced Tactical Fighter and the Advanced Tactical Aircraft.

Aquila.—The committee recommends deletion of the $217 million requested for research and development and procurement for the Aquila pilotless aircraft and calls for a master plan for the entire proposed family of remotely piloted vehicles.

Multiyear procurement.—Concerned with severe budget constraints during the next five years, the committee recommends only two programs for multiyear procurement—the Patriot missile and the Stinger missile. In addition, it recommends two major restrictions. Before entering into multiyear procurement contracts, the service Secretary must, first, negotiate priced options for quantities 30 percent higher and lower than in the current plan, and, second, certify that contracts will reduce costs by 12 percent.

B-1B and advanced technology bombers.—The committee recommends $200 million for a Strategic Bomber Contingency Fund to be used to buy long-lead components for the B-1B bomber. If no additional B-1B bombers are authorized (and none are authorized in this bill), many of the components could be used as spare parts for the existing B-1 bombers. Half of the amount authorized could also be used to develop an alternative source for the advanced technology bomber. The procurement of long-lead components will preserve the B-1B as a viable option for meeting strategic bomber requirements should the advanced technology bomber be delayed or become too costly.

AMRAAM.—The committee recommends a low rate of production for the next two years (135 instead of 260 missiles in fiscal year 1987 and 360 instead of 830 missiles in fiscal year 1988). Full-rate production would be delayed until changes intended to lower costs are incorporated and the design tested. The committee recommends retaining the $7 billion cost cap in fiscal year 1984 dollars for 24,000 missiles.

C-5B and C-17 cargo aircraft.—The committee recommends approving the request for the last increment of the C-5B program. Although the committee recommends authorization to prepare for production of the C-17, appropriations may not be obligated until 60 legislative days after the General Accounting Office has reported to Congress on the C-17 program and its possible alternatives.

Shipbuilding and Conversion.—Of the request for 21 ships and three conversions, the committee recommends authorization for 15 new ships and 2 conversions. The committee recommendation would reduce the shipbuilding authorization from the $11.0 billion requested to $9.2 billion, a reduction of 16 percent.

RESEARCH, DEVELOPMENT, TEST & EVALUATION (RDT&E)

The Committee recommends reducing the R&D request of $41.9 billion by $6.2 billion or 15 percent.

Anti-satellite missile (ASAT).—The committee recommends reducing the requested authorization for the ASAT from $278 million to $140 million. The committee also recommends language to prevent the ASAT from being produced (no authorization for procurement is recommended).

V-22 Osprey.—The committee recommends $380 million for the Osprey, formerly the JVX. No more than $170 million may be obligated until the Secretary of the Navy certifies that Osprey can perform the Navy's anti-submarine warfare (ASW) mission currently performed by the S-3A aircraft and that the Osprey is the most cost-effective aircraft for the ASW mission.

AMRAAM.—The committee recommends $39 million of the $58 million requested for R&D for the Advanced Medium Range Anti-Aircraft Missile.

OPERATION & MAINTENANCE (O&M)

The committee recommends reducing the operation and maintenance request by $3.8 billion or 4.4 percent. Normally a reduction of this magnitude would have a serious impact on readiness. The committee, however, was able to make the reduction and avoid a serious impact on readiness largely because of the fall in fuel prices.

Increases.—The committee recommends adding $583.6 million to the O&M request. Of that, $495 million would be allocated against the projected shortfall in the foreign currency fluctuation, defense fund due to the unanticipated and dramatic decline in the value of the dollar, $25 million would be allocated for repair and renovation of Army National Guard armories, $20 million would be allocated to initiate the Unified Command and Control of Special Operations Forces, and $35.6 million would be allocated for drug enforcement.

Drug enforcement.—The committee recommends several initiatives to increase the contribution of the services to the nation's civilian drug enforcement effort. Chief among these is the provision of look-down radar on eight aircraft used in the Caribbean by the Air Force Reserve.

MILITARY PERSONNEL

The committee recommends a reduction of $2.2 billion or 3 percent in the military personnel request of $76.6 billion.

Pay raise.—The committee recommends sufficient budget authority, within the overall ceiling on defense spending included in the fiscal year 1987 budget resolution, to ensure funding for a 3 percent pay raise for military personnel effective January 1, 1987.

End strength.—The services had requested authority to add 13,730 men and women to the 2.2 million now in uniform. The committee recommends an increase of 2,000 personnel for the Navy.

Permanent Change of Station (PCS) moves.—The committee recommends reducing $594 million or 21 percent from the $2.8 billion requested to move personnel from one duty assignment to another. The reduction would be achieved by denying the requested increase in the weight of household goods that officers and senior enlisted personnel can move at government expense, by ordering a series of management improvements, such as limiting exemptions made to the prescribed lengths of military tours, and by reducing PCS funds equivalent to imposing an average delay of eight weeks in PCS moves.

CIVIL DEFENSE

The committee recommends approving the request for civil defense of $126.6 million.

MILITARY CONSTRUCTION

The committee recommends reducing the request for military construction by 14 percent, from $10.0 billion to $8.6 billion.

Light infantry divisions.—The committee recommends a reduction of $232 million from the $503 million requested for facilities for two newly created light infantry divisions.

Homeporting.—Of the authorization requested for homeporting, the committee recommends approving $54.4 to continue construction at Staten Island, New York and deferring the entire $95.4 million requested for Everett, Washington,

DEPARTMENT OF ENERGY NUCLEAR PROGRAMS

The committee recommends a reduction of $540 million from the request of $8.1 billion.

HEARINGS

The committee expedited consideration of the Defense authorization bill for fiscal year 1987 in order to assist the legislative process in enacting authorization and appropriation legislation in a timely manner. Nonetheless, the committee believes it has given full and deliberate consideration to this critically important subject.

The bill is the result of extensive hearings that began on January 29, 1986, and that were completed on July 24, 1986. The full committee conducted 5 sessions, including 7 markup meetings. In addition, a total of 125 sessions were conducted by 7 different subcommittees and 2 panels of the committee on various titles of the bill.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATION

TITLE I—PROCUREMENT

OVERVIEW

The committee faced difficult decisions this year in complying with the severe fiscal constraints imposed by overall budgetary conditions. As a result, the committee had to reduce the procurement request by some 14.7 percent from the original budget request of $95.8 billion for procurement. This action resulted in a $14.0 billion reduction to the procurement title. Comparison to the Fiscal Year 1986 appropriation for procurement, adjusted for the provisions of the Emergency Deficit Reduction Act of 1986, the procurement accounts have been reduced by 14.7 percent.

In terms of priorities, the committee has attempted to protect existing programs, defer new starts, deny ramp-ups, maintain a balance between strategic and conventional programs, and support sustainability and readiness of current forces. Many reductions were imposed without prejudice, and without severe budget pressures, the committee would have recommended authorizations at higher levels.

The committee recognizes that its actions may cause program dislocation, undermine financial stability and disrupt established production rates. At the same time, the committee's actions reflect an increasing concern that greater attention must be given to consolidating the number of procurement programs and establishing clear cut priorities within the Department of Defense. It is abundantly clear, therefore, that the Congress can not be expected to underwrite and to support accelerated growth in defense procurement budgets during times of severe budgetary pressures.

FISCAL YEAR 1987 DOD AUTHORIZATION BILL--PROCUREMENT SUMMARY
[Amounts in millions of dollars]

Item	FY 1987 Request	Committee Recommendation	Change from Request
ARMY			
Aircraft	3264.7	2741.7	-523.0
Missiles	2438.2	2361.9	-76.3
Weapons & Tracked Combat Vehicles	4452.6	3924.3	-528.3
Ammunition	2254.0	2100.6	-153.4
Other Procurement	6169.0	5093.6	-1075.4
TOTAL, ARMY	18578.5	16222.1	-2356.4
NAVY			
Aircraft	11304.3	9758.0	-1546.3
Weapons Procurement	6095.4	5587.6	-507.8
Shipbuilding and Conversion	11046.2	9153.9	-1892.3
Other Procurement	6538.8	5848.0	-690.8
Procurement, Marine Corps	1565.0	1497.1	-67.9
TOTAL, NAVY	36549.7	31844.6	-4705.1
AIR FORCE			
Aircraft	19127.4	16746.8	-2380.6
Missiles	8982.4	6071.0	-2911.4
Other Procurement	10900.3	8854.8	-2045.5
TOTAL, AIR FORCE	39010.1	31672.6	-7337.5
DEFENSE AGENCIES	1488.4	1406.2	-82.2
DOD CHEMICAL DEMILITARIZATION PROGRAM	120.1	120.1	
NATIONAL GUARD/RESERVE			
Army National Guard	0.0	69.1	69.1
Air National Guard	0.0	50.0	50.0
Army Reserve	0.0	100.0	100.0
Naval Reserve	0.0	66.0	66.0
Marine Corps Reserve	0.0	74.0	74.0
Air Force Reserve	0.0	150.0	150.0
TOTAL, GUARD/RESERVE	0.0	509.1	509.1
TOTAL, PROCUREMENT	95746.8	81774.7	-13972.1

DEFENSEWIDE PROCUREMENT ISSUES

DOD FAMILY OF REMOTELY PILOTED VEHICLES

The committee held an extensive hearing concerning the Department of Defense's plans to purchase a family of unmanned air vehicles, commonly known as remotely piloted vehicles (RPVs). Presently, the department plans to acquire and equip U.S. forces with RPVs in order to perform missions such as reconnaissance, surveillance, target acquisition, and target designation.

The committee is concerned that the program for each of the services appears to be on the threshold of significant growth over the next several years. The committee has been informed that the Department of Defense has commissioned a Defense Science Board study to review the family of unmanned air vehicles.

Because of budgetary constraints and a desire to maximize commonality of equipment among the services, the committee directs the Department of Defense to provide a master plan for RPVs to the Committee on Armed Services of the Senate and the House of Representatives. At a minimum, the plan should incorporate:

(1) harmonization of service requirements;

(2) utilization of commonality, to the maximum extent possible;

(3) trade-offs between manned and unmanned vehicles in order to provide for future cost savings.

This plan should be provided to the committees in conjunction with the submission of the fiscal year 1988 budget request.

MULTIYEAR PROCUREMENT

For fiscal year 1987, the Department of Defense requested multiyear procurement authority for eight candidate systems. Given the budgetary constraints imposed by Gramm-Rudman during the next five years, authorizing the Department of Defense to enter into multiyear procurement contracts (and, thereby, committing the government to fixed spending with severe penalties for deviation) would severely limit budgetary flexibility in future years. Therefore, section 110 provides the authority for the service Secretaries to enter a multiyear contract only if (1) the contract contains negotiated and priced options for quantities that vary by 30 percent up or down in each year; and (2) the Secretary certifies that the multiyear contract provides not less than 12 percent savings as compared to the same program executed with annual contracts.

Within this framework, the committee recommends approval of authority to enter into multiyear contracts for the Patriot missile system and the Stinger missile. Section 110 denies the authorization for multiyear contracts for the following systems: UH-60A Blackhawk and EH-60A aircraft Quick Fix airframes; F/A-18 aircraft; HARM missile; Defense Support Program; and Complementary Expendable Launch Vehicle.

CHEMICAL WEAPONS

The fiscal year 1987 budget request contained authorization of $158.5 million for the binary chemical program. The committee recommends authorization of $68.3 million for the program.

The following table summarizes the request and the committee's recommendation.

BINARY CHEMICAL WEAPONS PROGRAM

[Fiscal year 1987—in millions of dollars]

155mm artillery round	Request	Committee recommendation	Change from request
Production	60.6	32.6	−28.0
Facilities:			
Metal parts	4.6	4.6	
DC facility	18.6	18.6	
Prove out DC	2.5	2.5	
Total	86.3	58.3	−28.0
Bigeye bomb:			
Production	56.8	10.0	−46.8
Facilities	15.4	0	−15.4
Total	72.2	10.0	−62.2
Total	158.5	68.3	−90.2

In the committee's view, the binary modernization program should continue at a minimum pace in order to preserve the opportunity for meaningful results in the arms control arena. If negotiations fail, the committee would be prepared to accelerate the program.

In addition, the committee has included section 123 that would restrict obligation of funds for the Bigeye bomb until the operational tests are completed and the results certified. The General Accounting Office is authorized to monitor the tests and is directed to submit its evaluation of the test to the Committees on Armed Services of the Senate and the House of Representatives. Also, the Secretary of Defense is directed to prepare a study on the comparative military advantages of the Bigeye bomb vis-a-vis long range standoff weapons. The report should be provided to the Committees on Armed Services of the Senate and House of Representatives before the submission of the fiscal year 1988 defense budget request.

GROUND PROXIMITY WARNING SYSTEM

The committee supports cost effective efforts to improve aircraft safety in the military forces. One avenue for achieving this objective is through the use of second generation or later ground proximity warning systems to avoid controlled-flight-in-terrain accidents. Data available to the committee indicates that for transport aircraft the accident rate for those common aircraft types without a ground proximity warning system is roughly twice that of those so equipped. The cost in both aircraft and pilots lost far outweighs the cost of installation of ground proximity warning systems.

The committee recommends authorization of funds necessary to initiate procurement of retrofit kits for installation on those special mission Army, Navy and Air Force aircraft that are not currently equipped with a second generation ground proximity warning system. Further, the committee recommends each of the military services include in their fiscal year 1988 to 1992 budget requests those funds necessary to equip all passenger carrying aircraft (not currently equipped) with a state-of-the-air second generation ground proximity warning the system.

ATF/ATA MEMORANDUM OF UNDERSTANDING

In February 1986, the Departments of the Air Force and the Navy executed a memorandum of understanding (MOU) for the cross service utilization of their respective advanced tactical fighter (ATF) and advanced tactical aircraft (ATA) programs.

The development cycles for both aircraft appear to be closely aligned, with initial operating capabilities for the Air Force's ATF and the Navy's ATA scheduled in the 1990's. Current and anticipated future budget realities, the large research, development, test and engineering investments and the significant procurement costs to follow, dictate that both services vigorously examine cross-service applications of the two aircraft to fill future requirements and exploit opportunities to amortize development expenses over a larger number of aircraft rather than developing totally new and unique aircraft.

The committee supports this important initiative and fully expects the military services and the Department of Defense to pursue this effort to the maximum extent in the early stage of both programs. At present, the committee is faced with near term decisions on funding the F-15E and the F-14D aircraft programs as interim solutions pending completion of the ATF and ATA programs that, in the longer term, will also compete for scarce resources.

The MOU framework provides an excellent opportunity for the Department of Defense to integrate into a comprehensive package the acquisition plan for these four aircraft programs—the F-15E, and the F-14D, as interim solutions to the ATF and the ATA. Such an effort should result in better integration of the four programs in terms of budgetary decisions. Accordingly, the committee recommends that the Department of Defense manage the four programs as a comprehensive and integrated single entity (super program) throughout the Joint Requirements and Management Board process.

MISCELLANEOUS ISSUES

Jacksonville, Arkansas, dioxin waste site

The committee is aware that a critical dioxin waste problem exists at Jacksonville, Arkansas. A limited amount of the waste appears to be a by-product of the production of Agent Orange during the Vietnam War.

Remedial action appears to be in the offing. The Environmental Protection Agency is scheduling public hearings and review early this fall to determine the best way of disposing of the waste, starting in January 1987.

In recognizing the problem, the committee fully supports the established framework for dealing with hazardous waste. In this instance, the Resource Conservation Recovery Act appears to be the appropriate vehicle to accomplish the needed clean up at Jacksonville. Although this process is not under the jurisdiction of the committee, the committee intends to monitor developments at the Jacksonville site because of the possible existence of Agent Orange waste by-products.

AIRCRAFT PROCUREMENT, ARMY
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 01: Aircraft						
Rotary						
EH-60A (Quickfix)	18	165.3	18	139.0		
Less advance procurement (PY)		-30.3		-30.3		
Net		135.0		108.7		-26.3
EH-60A advance procurement (CY)		16.9		16.9		
AH-64 (Apache)	144	1241.2	120	1102.1		
Less advance procurement (PY)		-51.9		-51.9		
Net		1189.3		1050.2	-24	-139.1
AH-64 advance procurement (CY)		39.1		39.1		
UH-60A (Black Hawk)	78	379.4	78	376.4		
Less advance procurement (PY)		-224.0		-224.0		
Net		155.4		152.4		-3.0
UH-60A advance procurement (CY)	(85)	195.0	(78)	139.0	(-7)	-56.0
Total Aircraft		1730.7		1506.3		-224.4
Budget Activity 02: Modification of Aircraft						
OV-1		24.9		19.9		-5.0
RV-1		2.7		2.7		
AH-1S		61.0		12.4		-48.6
AH-64		33.4		33.4		
CH-47	48	333.2	48	323.2		
Less advance procurement (PY)		-124.8		-124.8		
Net		208.4		198.4		-10.0
CH-47 advance procurement (CY)		58.6		58.6		
CH-54		1.3		1.3		
UH-1		6.3		6.3		
UH-60A		7.7		7.7		
AHIP	48	185.8	36	143.4		
Less advance procurement (PY)		-20.9		-20.9		
Net		164.9		122.5	-12	-42.4
AHIP advance procurement (CY)		45.4		21.8		-23.6
Air to Air Stinger aircraft mod		28.8		28.8		
Airborne avionics		0.1		0.1		
ASE mods close combat		3.5		3.5		

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 02: Modification of Aircraft (continued)						
Mods under $2.0M (aircraft)........		0.1		0.1		
ACFT 9ww..........................		12.0		12.0		
SOP aircraft mods.................		3.5		3.5		
Ground Proximity Warning System....		0.0		13.7		13.7
Total Modification of Aircraft..........		662.6		546.7		-115.9
Budget Activity 03: Spares and Repair Parts						
Initial spares......................		213.6				
Replenishment spares.................		496.9				
Total Spares and Repair Parts...........		710.5		560.5		-150.0
Budget Activity 04: Support Equipment and Facilities						
Aircraft survivability equipment...		11.6		11.6		
Other support						
Avionics support equipment.........		57.9		47.4		-10.5
Common ground equipment............		28.4		28.4		
Air traffic control................		4.8		4.8		
Synthetic flight training systems..	3	37.7	3	37.7		
Industrial facilities..............		16.0		16.0		
War consumables....................		4.5		4.5		
Total Support Equipment and Facilities..		160.9		150.4		-10.5
Less Prior Year Adjustments						
Aviation spares, FY86..............				-22.2		-22.2
Total, Aircraft Procurement, Army......		3264.7		2741.7		-523.0

AIRCRAFT PROCUREMENT, ARMY

ITEMS OF SPECIAL INTEREST

EH-60A utility helicopter (Quickfix)

The budget request contained $135.0 million for procurement of 18 aircraft in fiscal year 1987 and $16.9 million for advance procurement in fiscal year 1988. The request also contained $19.3 million for procurement of initial spares.

Quickfix is a tactical, heliborne jamming system configured in the EH-1H, EH-1X and EH-60A helicopters. Each aircraft has the capability to intercept and jam radio communications, and the EH-1X and EH-60 versions can also locate (direction finding) communication transmitters. Three Quickfix aircraft will be organic to a U.S. Army division, separate brigade, or armored cavalry regiment.

The committee recommends authorization of $108.7 million, a reduction of $26.3 million from the budget request, for procurement of 18 aircraft in fiscal year 1987. The reduction reflects contract savings.

AH-64 attack helicopter (Apache)

The budget request contained $1,189.3 million for procurement of 144 aircraft and $39.1 million for advance procurement. The request also contained $127.2 million for initial spares.

The committee recommends authorization of $1,050.2 million for procurement of 120 aircraft and $39.1 million, the amount requested for advance procurement.

The Army has stated repeatedly that its total requirement for AH-64 helicopters was 1,206 aircraft including 396 for the Army National Guard and Army Reserve. However, due to funding constraints, only 675 aircraft have been approved for procurement. According to current Army planning, procurement will end in fiscal year 1988.

The committee believes that it is not in the national interest to terminate Apache production with only 55 percent of the Army's requirement filled. The role of anti-armor attack helicopters is growing in importance on the future battlefield, and the aging AH-1S Cobra fleet can not be expected to perform adequately through the 1990's. With LHX program uncertainties, the Army could be faced with the prospect of no warm base for attack helicopter production for nearly a decade if the AH-64 line is not sustained. This stands in stark contrast to the policies of the Air Force and Navy, each of which maintains two fighter aircraft production lines.

The committee directs the Secretary of the Army to submit a plan to the Committees on Armed Services of the Senate and House of Representatives not later than December 1, 1986 for continued production of the AH-64 commencing in fiscal year 1989. The plan shall address the feasibility of establishing a second source for the AH-64 helicopter program.

The committee directs the Secretary of the Army to provide 18 Apache helicopters to the National Guard as part of the continued modernization program for the Guard and Reserve forces.

UH-60A utility helicopter (Black Hawk)

The budget request contained $155.4 million for procurement of 78 aircraft in fiscal year 1987 and $195.0 million for advance procurement of 85 aircraft in fiscal year 1988. The request also contained $4.6 million for procurement of initial spares.

The Black Hawk is a twin engine, single-rotor helicopter designed to carry a crew of three and a combat equipped squad or an equal cargo load. It is also capable of carrying external loads of up to 8,000 lbs.

The Black Hawk provides a highly maneuverable, air transportation, troop carrying helicopter for all intensities of conflict, without regard to geographical location or environmental conditions. It moves the troops, equipment and supplies into combat and performs aeromedical evacuation and multiple functions in support of the Army's air mobility doctrine for employment of land forces.

The committee recommends authorization of $152.4 million for procurement of 78 aircraft in fiscal year 1987 and $139.0 million in advance procurement for 78 aircraft in fiscal year 1988. The total reduction of $59.0 million is based on maintaining the program at its current level of 78 aircraft.

The committee directs the Secretary of the Army to allocate 3 Black Hawk helicopters to the Army National Guard as part of the continued modernization initiative.

Army aircraft modification

The budget request contained $662.6 million for Army aircraft modifications in fiscal year 1987. The committee recommends an authorization of $546.7 million, a reduction of $115.9 million. The recommendation includes approval of all programs in the request except the following:

[In millions of dollars]

Item	Request	Committee recommendation		Basis for change
		Amount	Change	
OV-1	24.9	19.9	−5.0	Slows down upgrade.
AH-1S	61.0	12.4	−48.6	Reflects fiscal year 1985 and fiscal year 1986 contractor delays.
CH-47	208.4	198.4	−10.0	Financing adjustment. Six earmarked for Army National Guard.
AHIP	164.9	122.5	−42.4	Further testing of AHIP required. Previous test performance in two of three mission areas demonstrated no advantages over existing helicopters. Includes $7.4 million in engineering change orders.
AHIP advance procurement	45.4	21.8	−23.6	Maintains fiscal year 1987 rate in fiscal year 1988.
Ground Proximity Warning System:				
C-12				
U-21	0	13.7	+13.7	See previous discussion under defensewide procurement issues.

Army aircraft spares and repair parts

The budget request contained $710.5 million for procurement of spare equipment and repair parts necessary to support Army aircraft procurement. The committee recommends authorization of $560.5 million, a reduction of $150.0 million, without prejudice. The reduction takes into account the historical obligation rates of the account.

Administrative transport aircraft

To assure commonality in administrative transport aircraft supporting all the military services, the Army is urged to consider leasing not more than three C-20 aircraft before the manufacturer's production line terminates, provided the savings in operating costs would provide cost effective. Such aircraft will provide a more economical—*needed—capability* for the Army Chief of Staff and his senior staff to have more frequent personal contact with reserve and national guard units in remote locations, greatly enhancing the readiness of our armed forces.

Air-to-air Stinger modification

The budget request contained $28.8 million for modification of Army aircraft for incorporation of air-to-air Stinger missiles. The committee recommends authorization of the amount requested.

Section 122 would restrict obligation of funds for the air-to-air Stinger missile aircraft modification program until:

(1) a comprehensive acquisition plan for air-to-air Stinger missiles for Army aircraft is established;

(2) the plan is intergrated into the overall Army forward area air defense plan; and

(3) a report is submitted to the Committees on Armed Services of the Senate and House of Representatives and 30 calendar days expire before funds are obligated.

The Army is planning to integrate the Stinger missile on the OH-58D helicopter. At the same time, the Army is planning to test the French Mistral missile for integration on its helicopters. The Army is also considering other missiles. The committee believes that it is necessary for the Army to establish a sound plan for the program before it proceeds further.

Army aircraft support equipment and facilities

The budget request contained $160.9 million for Army aircraft support equipment and facilities for fiscal year 1987.

The committee recommends authorization of $150.4 million, a reduction of $10.5 million. The reduction is based on a schedule slip with the SINCGARS program.

Prior year adjustment

The committee reductions to the amount of authorization for Army aircraft procurement includes a $22.2 million adjustment to prior year funding of the aviation spares account.

MISSILE PROCUREMENT, ARMY
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 02: Other Missiles						
Surface-to-air missile systems						
Chaparral	456	103.7	456	103.7		
Air defense sys heavy		9.1		0.0		-9.1 [6]
Other missile support		6.5		6.5		
Patriot	700	951.5	700	951.5		
Patriot advance procurement (CY)		45.3		45.3		
Stinger	4180	251.7	4180	251.7		
Stinger advance procurement (CY)		40.3		40.3		
Anti-tank/assault missile system						
TOW II	12000	134.6		114.0		-20.6 [4]
TOW II advance procurement (CY)		15.5		0.0		-15.5
Pershing II		31.8		31.8		
Multiple launch rocket system	72000	542.0	72000	532.0		
Less advance procurement (PY)		-67.8		-67.8		
Net		474.2		464.2		-10.0
Total Other Missiles		2064.2		2009.0		-55.2
Budget Activity 03: Modification of Missiles						
Patriot		38.6		38.6		
Chaparral		5.2		5.2		
Hawk		68.2		68.2		
TOW		53.0		53.0		
Dragon		4.7		0.0		-4.7 [1]
Lance		3.8		0.0		-3.8 [1]
Total Modification of Missiles		173.5		165.0		-8.5
Budget Activity 04: Spares and Repair Parts						
Initial spares		67.9		67.9		
Replenishment spares		83.0		83.0		
Total Spares and Repair Parts		150.9		150.9		
Budget Activity 05: Support Equipment and Facilities						
Air defense targets		32.4		19.8		-12.6 [1]
Items less than $2.0M (missiles)		1.5		1.5		
Production base support		15.7		15.7		
Total Support Equipment and Facilities		49.6		37.0		-12.6
Total Missile Procurement, Army		2438.2		2361.9		-76.3

1 Maintain FY86 level
2 Affordability
3 Execution status
4 Contract savings
5 Reduced increase from FY86
6 Defer new start
7 Classified
8 No requirement

MISSILES, ARMY

ITEMS OF SPECIAL INTEREST

Chaparral missile system

The budget request contained $103.7 million to procure 456 Chaparral Rosette Scan Seeker (RSS) missiles in fiscal year 1987.

The Chaparral is the Army's Short Range Air Defense (SHORAD) missile system. It consists of a launcher mounted on a M-730 tracked vehicle carrying four missiles on the launch rails and eight additional missiles in storage compartments for reload. The Rosette Scan Seeker version of the missile has an improved missile guidance system designed to upgrade capability against enemy infrared countermeasures. The fiscal year 1987 request would initiate a competitive procurement program for the RSS missiles.

Although the committee strongly supports competitive procurements, it is concerned that the Army lacks a systematic approach for defining the overall objectives of the competition such as cost savings, added industrial capacity and reduction of schedule risk. Each program office or procurement command appears to analyze acquisition without benefit of overall guidelines. The total production run of several thousand missiles, would be awarded based on this competition.

The Chaparral RSS program is a clear illustration of this concern. The Army's acquisition strategy of the Chaparral Rosette Scan Seeker missile involves a one-time, winner-take-all competition based on the 456 missiles requested in fiscal year 1987.

The extent to which the Army has systematically compared the relative advantages of: (1) a one-time winner-take-all competition; (2) annual competition with split buys; (3) sole source multi-year procurement; and (4) second-source production is not clear. Each of these options has unique advantages and disadvantages that should be systematically evaluated prior to a final decision. Such an evaluation should be based on total production quantities. This analysis should also include consideration of the Navy's plans for future procurement of the AIM-9 Sidewinder missile family.

Accordingly, the committee directs the Secretary of the Army not to obligate any of the amount authorized for Chaparral RSS procurement until he submits a report to the Committees on Armed Services and Appropriations of the Senate and House of Representatives providing detailed comparisons of the various procurement options available. The report should also provide an assessment of the value of establishing an evaluation methodology that could be applied to major acquisition programs throughout the Army. A separate, independent report by the Cost Analysis Improvement Group (CAIG) in the Office of the Secretary of Defense, reviewing the Army's proposed acquisition strategy should also be provided to the committees.

The committee recommends authorization of a total of $103.7 million to procure 456 Chaparral missiles.

Patriot

The budget request contained $951.5 million for the procurement of 700 missiles and 12 Patriot fire units. The request also contained $45.3 million to support advance procurement.

Patriot is a high and medium altitude air defense missile system being produced as a replacement for Hercules and Improved Hawk. The missile is designed to require no field maintenance. The system employs a unique concept known as track-via-missile that provides greatly increased accuracy. It is capable of multiple simultaneous engagements of attacking aircraft using sophisticated electronic countermeasures.

The committee recommends authorization of $951.5 million to procure 12 fire units and 700 missiles and $45.3 million to support advance procurement. The committee also recommends authorization for the Secretary of the Army to enter a multiyear contract for procurement of the Patriot, providing that the contract contains negotiated priced option that vary quantities by 30 percent in each year, and that the multiyear contract offers 12 percent savings compared to annual contracts.

Stinger

The budget request contained $251.7 million for the procurement of 4180 Stinger missiles in fiscal year 1987. The request also contained $40.3 million to support advance procurement.

Stinger is a man-portable guided missile system that provides low altitude air defense against fixed and rotary-winged aircraft. As a replacement for the Redeye missile, the Stinger utilizes a passive infrared homing guidance system. An improved seeker—Passive Optical Seeker Technique (POST)—has been incorporated into the missile production that improves capabilities in a countermeasures environment. Procurement of a reprogrammable micro-processor (RMP) is being initiated that would provide a capability to facilitate change as the threat evolves.

Within the $251.7 million budget request for the Stinger missile, $42.9 million was requested to begin procurement of ground support equipment for a Pedestal-mounted Stinger (PMS) program.

The Pedestal-mounted Stinger is a modification program that mounts Stinger missiles on a ¼ ton vehicle, known as the High Mobility Multipurpose Wheeled Vehicle (HMMWV).

The committee recommends authorization of $251.7 million to procure 4180 missiles and $40.3 million to support advance procurement. The committee also recommends authorization for the Secretary of the Army to enter a multiyear contract for the procurement of Stinger missiles, subject to the conditions set forth in section 122.

TOW II.—The budget request contained $134.6 million to procure 12,000 TOW II missiles and $15.5 million for advance procurement to support production surge requirements.

TOW is a tube-launched, optically tracked, wire guided heavy antitank/assault weapon system. The TOW II system is an upgrade of the basic TOW which was originally fielded in 1970. The TOW II missile is designed to defeat current and future enemy armored vehicles.

The committee notes that, over the past two years, the Army has increased surge capability to 2,500 TOW missiles per month. This capability represents more than a two-fold increase in current Army production rates.

Due to budgetary constraints, the committee recommends authorization of $114.0 million for the procurement of TOW II missiles. The committee recommends no authorization for advance procurement to support additional production surge requirements.

Multiple Launch Rocket System

The budget request contained $474.2 million for procurement of 72,000 rockets and 44 self-propelled launcher loaders.

The Multiple Launch Rocket System (MLRS) is a 227 millimeter rocket lauch system with a tracked, self-propelled launcher, a loader, two pods with six rockets each, and fire control equipment. The MLRS is designed to neutralize or suppress enemy field artillery and air defense systems and to supplement cannon artillery.

Through fiscal year 1986, the Army has purchased 348 launchers. The committee is aware that due to the modernization of corps level fire support organizations, the Army may require as many as 700 launchers. The committee has also been informed that the Army National Guard has a requirement for 90 MLRS launchers.

The existing multiyear contract covering the procurement of launchers does not extend beyond fiscal year 1986. Thus, the 44 launchers contained in the budget request would be purchased outside of the existing multiyear contract. In light of this situation, the committee directs the Secretary of the Army to examine acquisition strategies that provide for economic purchase of the launchers and to report to the Committees on Armed Services of the Senate and House of Representatives concerning the proposed acquisition strategy together with future Army requirements for launchers. This report should be submitted by February 1, 1986.

The committee recommends authorization of $464.2 million to procure 44 launchers and 72,000 rockets. Further, the committee directs that 30 of the 44 launchers be procured to equip three batteries of the Army National Guard.

WEAPONS AND TRACKED COMBAT VEHICLES, ARMY
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 01: Tracked Combat Vehicles							
Tracked combat vehicles..............							
M577A2 command post vehicle........	300	64.1	300	64.1			
Bradley fighting vehicle...........	870	1147.0	593	855.2			
Less advance procurement (PY).....		-25.2		-25.2			
Net..............................		1121.8		830.0	-277	-291.8	
Bradley advance procurement (CY)..		20.6		20.6			
Bradley FVS training devices......		9.5		9.5			
Field artillery ammunition support vehicle (FAASV)..........	141	67.5		62.5		-5.0	4
M88A1 recovery vehicle............		42.8		8.8		-34.0	6
Abrams tank series roll............	840	1985.8	840	1920.8			
Less advance procurement (PY).....		-342.2		-342.2			
Net..............................		1643.6		1578.6		-65.0	4
Abrams advance procurement (CY)...		351.4		351.4			
M60 series tank training devices..		33.5		33.5			
M-1 series tank training equipment		9.5		8.5		-1.0	1
Modification of tracked combat vehicles							
Carrier mod.......................		48.4		41.9		-6.5	4
FIST vehicle......................		53.8		53.8			
BFVS series.......................		35.1		35.1			
Howitzer, med sp ft 155mm 109 ser.		20.8		5.8		-15.0	4
Tank, combat, Ft 105mm M60 ser....		48.3		48.3			
Tank, M1 series...................		80.4		53.9		-26.5	4
MOB training base equipment.......		17.0		15.5		-1.5	
Host nation support...............		4.7		4.7			
Support equipment and facilities....							
Spares and repair parts...........		469.8		436.3		-33.5	2
Items less than $2.0M (TCV-WTCV)..		2.0		2.0			
Production base support...........		57.8		57.8			
Total Tracked Combat Vehicles, Army....		4202.4		3722.6		-479.8	

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 02: Weapons and Other Combat Vehicles							
Weapons and other combat vehicles...							
Howitzer, ligt, towed, 105mm, L119	64	26.5	0	12.0	-64	-14.5	
Machine gun, 7.62mm M60...........	1647	5.0	0	0.0	-1647	-5.0	8
M240 armor machine gun............	4509	24.2	0	0.0	-4509	-24.2	8
Squad automatic weapon (SAW) 5.56mm	4800	12.9	4800	12.9			
Launcher, smoke grenade...........	4217	1.8	4217	1.8			
Mortar, 81mm, M252................	457	10.1	250	5.3	-207	-4.8	1
Mortar 120mm......................	145	13.2	145	13.2			
M16 rifle.........................	76235	36.8	76235	36.8			
Personal defense weapon 9mm.......	21219	4.4	21219	4.4			
Bushmaster weapon system..........	947	40.9	947	40.9			
Less advance procurement (PY).....		-3.6		-3.6			
Net...............................		37.3		37.3			
Bushmaster advance procure (CY)...		3.2		3.2			
Modification of weapons and other... combat vehicles..................							
M16A1 rifle mods..................		3.3		3.3			
Modifications under $2.0M (WOCV-WTCV)		4.0		4.0			
Support equipment & facilities......							
Spares and repair parts...........		17.6		17.6			
Items less than $2.0M (WOCV-WTCV).		3.3		3.3			
Production base support (WOCV-WTCV)		37.0		37.0			
Cannon tube forgings for surge....		9.6		9.6			
Total Weapons and Other Combat Vehicles.		250.2		201.7		-48.5	
Total Procurement of Weapons and Tracked Combat Vehicles, Army................		4452.6		3924.3		-528.3	

1 Maintain FY86 level
2 Affordability
3 Execution status
4 Contract savings
5 Reduced increase from FY86
6 Defer new start
7 Classified
8 No requirement

WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

ITEMS OF SPECIAL INTEREST, ARMY TRACKED COMBAT VEHICLES

M2/M3 Bradley Fighting Vehicle

The budget request contained $1,121.8 million to procure 870 Bradley Fighting Vehicles and $20.6 million for advance procurement to support procurement in fiscal year 1988.

The Bradley Fighting Vehicles include the Infantry Fighting Vehicle (IFV) and the Cavalry Fighting Vehicle (CFV). The IFV/CFV will provide mechanized infantry and scouts of armored cavalry the necessary mobility, firepower, and survivability to operate on the modern battlefield and to accomplish reconnaissance and security missions. The Bradley provides superior firepower, mobility, night-fighting capability and survivability as compared to is predecessor, the M113 armored personnel carrier.

The committee strongly supports the procurement of the Bradley Fighting Vehicle to meet the Army's requirement for the mechanized infantry forces. After an extensive series of hearings and considerable debate, the committee found that no reasonable altenatives exist that will provide equivalent battlefield capabilities at comparable costs.

Live-fire testing of the Bradley.—During the past year, the Department of Defense has conducted a series of live-fire tests using the Bradley Fighting Vehicle. The Bradley tests are the first in a series of planned live-fire tests against modern equipment configured for combat. In the case of the Bradley vehicle, these tests are designed to aid in the determination of potential modifications to enhance the Bradley's survivability.

The committee notes that this testing has been conducted with munitions against which the Bradley was not designed to survive (known as overmatched weapons). Testing to date has confirmed, in some instances, that the Bradley will not withstand certain overmatched weapons. The testing has, however, suggested that future modifications for improving the survivability may be considered as potential cost-effective improvements.

The committee believes, that although the live-fire testing program is useful, no vehicle or battlefield weapon system is invulnerable. Indeed, survivability in combat is a function of several operational factors, such as tactics, firepower, and speed. None of these attributes are being employed during the present live-fire test program.

The committee has been concerned, however, that the Phase II Army testing program has lacked sufficient oversight or adequate control. For example, a committee staff inquiry noted that the Phase II live-fire testing began without a Department of Defense approved detailed test plan.

Accordingly, section 121 would establish a set of detailed requirements for the development of the test plan and the conduct of the live-fire testing. Specifically, section 121 would require the test plan to be developed in consultation with the Director of Operational Test and Evaluation and the National Academy of Sciences. Section 121 would also require that the Director of Operational

Test and Evaluation and the Comptroller General review the results of the testing.

In recognition of the Army's urgent need for the vehicle, the current testing program and budgetary contraints, the committee recommends authorization of $830.0 million to purchase 593 Bradley Fighting Vehicles and $20.6 million to support advance procurement for fiscal year 1988. The committee also recommends deferral of the proposed modifications until completion of the testing.

M1 Abrams Tank

The budget request contained $1,643.6 million to procure 840 M1 tanks in fiscal year 1987, $351.4 million for advance procurement to support the production of 840 tanks in fiscal year 1988.

At the conclusion of the current multiyear procurement contract for the M1 tank in 1989, the Army will have procured 7,467 M1 series tanks—2,374 basic M1's, 894 Improved M1's and 4,199 M1A1's. This will include 1,815 M1A1's produced with Block II modifications. The balance of the M1A1's will be retrofitted to the Block II configuration at a later date. The committee is concerned that current Army planning contemplates no follow-on buy of Abrams series tanks after 1989.

The committee supports a logical evolution of the M1A1 tank that incorporates block improvements, much the same as the Army improved the M60 series of tanks over a 20-year production period. The committee recognizes the need for a "follow-on" vehicle but, likewise, is aware that the leap from one series of tank to another is an overlapping process that takes 15 to 20 years. Consequently, a major design departure from the M1 may not be fielded until the late 1990's. This means that current Army plans could leave the United States without a tank production line for as long as 6 to 10 years, a situation that contrasts starkly with that in the Soviet Union.

The last comprehensive Army review of its tank requirements was accomplished in 1977 at the direction of the committee (Department of Defense Authorization Act, 1978). That analysis resulted in a joint executive congressional decision to more than double the M1 tank program from 3312 to 7058. The assessment, now almost ten years old, contemplated a mix of 7058 first line tanks (M1) and 3750 second line tanks (M60A3) based on threat assessment deemed realistic at the time. Since that time, advancements in Soviet armor technology and gun technology have rendered the M60 series largely obsolete and have rendered the M1 armor marginally adequate.

The Army's present inventory objective of 7467 M1 tanks fails to distinguish between M1 and M1A1 tanks. At the end of the current production run, the Army will have only 4199 first line M1 tanks. In a high intensity conflict, within a short period of time, M1A1 units in combat could be fighting with M60A3 tanks that would be essentially obsolete, and with M1's, using a 105mm gun that is marginally adequate. The problem is further compounded by the logistic difficulties associated with switching calibres of ammunition and the complexity of training crews on different tanks.

When the committee mandated a review of the Army tank program in 1977, it did not expect the plan that evolved to remain permanently in effect. The analysis conducted by the Army with respect to threat, force structure and projected production served the Army well. But the threat has continued to grow, and Army doctrine and force structure have undergone significant changes. The committee believes that the time has come for the Army to conduct a comprehensive reassessment of its tank acquisition strategy. Accordingly, the committee directs the Secretary of the Army to conduct such an analysis and to submit a report to the Committees on Armed Services and Appropriations of the Senate and House of Representatives on future requirements for M1A1 tank production. As a minimum, the report should address the following issues:

1. The adequacy of the M60 series tanks to satisfy the Army's current needs.

2. The ability of the M1 to serve as first line tanks on the battlefield of the 1990's.

3. A statement of Army policy on the risks inherent in having no warm production base for tanks.

4. The combat effectiveness of M1A1 units re-equipped from war reserve stock with M1 or M60 series tanks on which they were not previously trained.

5. An analysis quantifying the relative survivability of M1A1, Improved M1, M1 and M60A3 tanks on the battlefield of the 1990's.

6. A recommended plan for procurement of additional M1A1 tanks that will:

a. provide for an orderly transition to the Future Armored Combat System (FACS) that will ensure an essential overlap in production as was the case during the M60 to M1 production transition.

b. provide for a periodic reevaluation to ensure that, at any given point in time, the Army's procurement strategy is related to the primary objective of equipping a D-Day force structure (approximately 7500 tanks) with the most modern tank in the Army inventory.

The report should be submitted, in final form, not later than December 1, 1986.

The committee recommends authorization of $1,578.6 million to purchase 840 M1A1 tanks in fiscal year 1987 and $351.4 million for advance procurement.

Mobilization training base equipment

The budget request contained $17.0 million to purchase equipment for the U.S. Army Reserve training divisions.

The committee recommends authorization of $15.5 million to purchase equipment for the Army Reserve training divisions. Consistent with other recommendations in this section, authorization is not provided for purchase of the L119 howitzer for the Army Reserve training divisions.

ITEMS OF SPECIAL INTEREST, ARMY WEAPONS AND OTHER COMBAT VEHICLES

L119 Howitzer

The budget request contained $26.5 million to procure 64 towed 105mm L119 howitzers.

The committee is aware that the Army requires 542 light, towed 105mm howitzers to equip Airborne, Air Assault, and Light Infantry Divisions. In testimony, the Army stated that current plans call for the purchase of 100 L119 howitzers off-shore and the purchase of the remaining 442 howitzers on-shore

The committee has been informed that the improved ammunition and integrated logistics support associated with the L119 howitzer will not be fielded until fiscal year 1989. Thus, the committee recommends that the procurement of 64 L119 howitzers be deferred for one year. The committee recommends authorization of $12.0 million to provide for the initial facilitization on-shore. Further, the committee directs the Secretary of the Army to restructure the L119 howitzer program to provide for purchase of these howitzers off-shore and on-shore simultaneously.

Mortar, 120mm

The budget request contained $13.2 million to procure 145 120mm mortars. The 120mm mortar provides heavy mortar fire support for Army heavy units replacing the M30, 4.2 inch mortar. It also provides increased combat effectiveness due to expected growth potential of the 120mm ammunition.

The committee recommends authorization of the amounts requested. Section 122(a) would prohibit obligation of funds for procurement for 120mm mortars or ammunition manufactured or assembled outside the United States. This limitation does not apply, however, to the 120mm mortars required for testing, evaluation, or type classification. Section 122(a) would also prohibit obligation of funds for procurement for 120mm mortars until the Secretary of the Army purchases and validates a technical data package for the manufacture and assembly of the mortar and conducts a cost-effectiveness analysis for the domestic manufacture of the winning technical data package. The latter provision is consistent with the direction contained in the joint explanatory statement of the conference report (H. Rept. 99-235) on the fiscal year 1986 Authorization Act (Public Law 99-145).

Cannon tube forgings for surge

The budget request contained $9.6 million to purchase long leadtime castings and forgings to support production of 120mm gun tubes.

The committee has been informed that this one-time investment in these castings and forgings represent a "rolling inventory" to be used in the event of an emergency that would require an immediate surge in the production of cannon tubes. This "rolling inventory" would allow for a five-month reduction in the time needed to move from peacetime production rates to surge production rates.

The committee supports this investment and recommends authorization of the amount requested but is concerned that the Department of the Army does not have a prioritized plan for budgeting for mobilization surge requirements. Therefore, the committee directs that the Secretary of the Army provide to the Committees on Armed Services of the Senate and House of Representatives a master plan concerning mobilization surge requirements.

AMMUNITION, ARMY
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 01: Ammunition							
Atomic Material......................							
Nuclear Weapons Support Material..		2.6		2.6			
Proj, Nuclear.....................		11.7		11.7			
Controlled Items.....................							
Ctg. 5.56mm Ball M193.............	109784	15.0	109784	15.0			
Ctg. 5.56mm Tracer................	20982	5.6	20982	5.6			
Ctg. 5.56mm Tracer Clip...........	15625	4.8	15625	4.8			
Ctg. 5.56mm Blank M200............	56965	7.0	193233	19.5	136268	12.5	9
Ctg. 5.56mm BLK M200, LKD F/SAW...	90476	18.4	90476	18.4			
Ctg. 5.56mm Ball M855/1 TRCR M856 L	59098	29.4	99098	29.4			
Ctg. 5.56mm Ball M16-A2...........	18845	3.4	18845	3.4			
Ctg. 7.62mm 4 ball M80/1 Trcr M62 L	275589	68.5	275589	68.5			
Ctg. 7.62mm Ball M80 LKD/M13......	10562	2.7	10562	2.7			
Ctg. 7.62mm LKD 4 Ball ITracer OHF	1667	0.5	1667	0.5			
Ctg. 7.62mm Blank M82 LKD/M13.....	72064	15.9	89139	19.3	17075	3.4	9
Ctg. Cal .45 Ball M1911...........	5936	0.7	5936	0.7			
Ctg. Cal .50 Plastic LKD 4 Ball/1 T	4665	5.4	4665	5.4			
Ctg. Cal .50, LKD 4 ball/1 TRCR W/M	7395	9.6	7395	9.6			
Ctg. Cal .50 APIT M20 LKD.........	3026	4.0	3026	4.0			
Ctg. Cal .50, ball LKD............	2778	2.5	2778	2.5			
Ctg. Cal .50, LKD 4 ball/1 TRCR W/M	23752	22.9	23752	22.9			
Ctg. 20mm LKD TP-T, M220..........	3028	9.7	5676	11.3	2648	1.6	9
Ctg. 20mm, LKD 4 TP M55A2/1TP-T M22	1202	3.3	1935	5.3	733	2.0	9
Ctg. 25mm HEI-T M792 W/F..........	2813	48.7	1398	24.2	-1415	-24.5	3
Ctg. 25mm TPT LKD M793 MLB M28....	2018	25.5	2018	25.5			
Ctg. 30mm LKD TP M788.............	260	2.4	260	2.4			
Ctg. 40mm HE Dual Purpose, M430...	2673	28.7	2673	28.7			
Ctg. 40mm TP F/MK19...............	541	7.5	541	7.5			
Ctg. 40mm, prac M781..............	2363	3.6	6670	10.2	4307	6.6	9

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 01: Ammunition (continued)							
Controlled Items (continued)							
Ctg. 40 mm Red Smoke Marker.......	133	1.8	133	1.8			
Ctg, 40mm Green Smoke Marker......	141	1.9	141	1.9			
Ctg. 40 mm Yellow Smoke Marker....	139	1.9	139	1.9			
Ctg. 81mm: Illum XM853...........	12	3.4	12	3.4			
Ctg. 81mm HE IUK W/fuze...........	404	91.3		61.1		-30.2	3
Ctg. 81mm SMK RP IUK, XM819.......	45	11.0		6.0		-5.0	3
Ctg. 81mm IMP 1/10 range tng, XM880	41	2.9	41	2.9			
Ctg, 4.2-in HE M329A2 W/O Fuse....	247	22.0	247	22.0			
Ctg. 120mm: HE XM933 w/fuze M734 MO	126	44.7	66	23.5	-60	-21.2	3
Ctg. 120mm: Illum, XM930..........	11	5.5	7	3.6	-4	-1.9	3
Ctg. 120mm: Smoke, XM929..........	29	14.3	16	7.4	-13	-6.9	3
Ctg. 105mm Heat MP T, M456A2......	19	7.7	0	0.0	-19	-7.7	3
Ctg. 105mm, DS-TP, M724...........	274	41.6	274	41.6			
Ctg. 105mm, APFSDS-T, M833........	41	20.3	41	20.3			
Ctg, 120mm APFSDS-T M829..........	62	75.9	62	75.9			
Ctg. 120mm Heat-MP-T, M830........	15	27.8	15	27.8			
Ctg. 120mm TPCSDS-T, M865.........	174	104.9		92.5		-12.4	3
Proj. 155mm, HE, ICM M483.........	441	173.0	441	173.0			
Proj. 155mm, SMK, WP, M825........	52	13.5	88	22.9	36	9.4	9
Proj. 155mm, HE ADAM M731.........	9	33.9	9	33.9			
Proj. 155mm, HE, RAAMS M717.......	9	11.9		8.8		-3.1	3
Proj. 155mm, HE RAAMS M741........	74	105.4	44	65.4	-30	-40.0	3
Proj. 155mm, BASEBLEED, XM864.....	35	31.6	35	31.6			
Proj. 155mm, HE, Copperhead.......	220	8.2		8.2			
Chg. Propelling 155mm Green Bag M3	866	38.0		26.3		-11.7	3
Chg. Propelling 155mm Red Bag M203	77	20.0	77	20.0			
Chg. Propelling 155mm Red Bag M11.	637	55.6	637	55.6			
Proj. 8-inch, HE RAP, M650........	36	37.3	126	124.0	90	86.7	9
Chg. Propelling 8-inch WB, M188...	22	4.0	22	4.0			

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 01: Ammunition (continued)							
Controlled Items (continued)							
Fuze, PD M739/M739A1..............	0	0.0	480	9.7	480	9.7	9
Fuze, MTSQ M577/M577A1............	207	11.7	267	15.1	60	3.4	9
Fuze, MTSQ M582/M582A1............	191	11.2	191	11.2			
Primer Perc. M82..................	970	1.8	1644	3.0	674	1.2	9
Canister Mine Practice XM88 (Volcan	8	1.9	8	1.9			
Canister Mine (Volcano) XM87......	16	31.6	16	31.6			
MTR RKT 5 IN MK22 MOD 4 (EA)......	4048	13.3		9.1		-4.2	3
Line Charge M58A3 (MICLIC) (EA)...	2307	24.4		23.3		-1.1	3
Modualr Pack Mine System..........	1940	23.4	1940	23.4			
Pursuit Deterrent Munition........	11	2.1	11	2.1			
Demolition Munitions & Other......		13.7		13.7			
Lightweight multi-purpose system..	136	82.5	136	82.5			
Lightweight Multi-purpose sys trnr	963	2.5	963	2.5			
Hydra 70 RKT MPSM Prac M267 WHD...	4	2.7	46	21.6	42	18.9	9
Hydra 70 RKT, HE/PD (M151/M423/MK66	185	44.8	200	52.5	15	7.7	9
Hydra 70 RKT Illum M257 WHD.......		0.0	27	19.6	27	19.6	9
Hydra 70 Smoke....................		0.0	28	13.7	28	13.7	9
Grenade Hand, All Types...........		27.4		27.4			
Gren Smk Screening RP L8A1/L8A3...	150	6.3	150	6.3			
Grenade, Smoke Screening IR M76...	91	9.0	91	9.0			
Signals, all types................		18.0		18.0			
Simulators, all types.............		4.3		8.7		4.4	9
Miscellaneous							
Ammo components/support, all types		20.3		20.3			
CAD/PAD...........................		2.5		2.5			
Items Less than $2.0M (misc. ammo)		5.2		6.7		1.5	9
Spares and repair parts...........		1.2		1.2			
Ammo peculiar equipment...........		7.8		7.8			
Nitroguanidine (LB)...............		23.2		23.2			
Comp A-5..........................		12.2		12.2			
Comp C-4..........................		9.5		8.0		-1.5	3

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 01: Ammunition (continued)						
Miscellaneous (continued)						
PBX 0280		3.8		3.8		
Comp LX-14		3.8		3.8		
HMX EXPL-805		5.7		0.0		-5.7
Ammo 9mm/ELT		1.6		1.6		
Classified programs		99.4		71.4		-28.0
Undistributed reduction				-85.0		-85.0
Total Ammunition		1900.1		1812.3		-87.8
Budget Activity 02: Ammunition Production						
Base Support						
Production base support						
Provision of industrial facilities		159.0		143.6		-15.4
Components for prove-out		8.7		8.7		
Layaway of industrial facilities		22.9		22.9		
Jefferson proving ground modern		2.2		2.2		
Production base modernization		161.1		110.9		-50.2 3
Total Production Base Support		353.9		288.3		-65.6
Total Procurement of Ammunition, Army		2254.0		2100.6		-153.4

1 Maintain FY86 level
2 Affordability
3 Execution status
4 Contract savings
5 Reduced increase from FY86
6 Defer new start
7 Classified
8 No requirement
9 Sustainability requirements

AMMUNITION, ARMY

OVERVIEW, AMMUNITION

The budget request contained $2,254.0 million for Army munitions. The committee recommends authorization of $2,100.6 million for ammunition a total reduction of $153.4 million from the request.

The ammunition request is to support worldwide training, to improve readiness and sustainability, and to increase war reserve stocks. The request includes authorization for artillery, mortar, tank, and small arms ammunition, rockets, fuzes, demolition devices, grenades and other ammunition items.

ITEMS OF SPECIAL INTEREST, ARMY AMMUNITION

Copperhead

The budget request contained $8.2 million for the procurement of 220 Copperhead projectiles. The Copperhead projectile is the Army's only laser-guided artillery projectile.

The committee is aware that the Army's total requirements for Copperhead munitions exceed 100,000 rounds although present procurement plans envision the purchase of roughly 30,000 rounds. The committee believes that the Army should initiate plans to procure its total requirements.

The committee recommends the requested authorization. Section 122(b) of the bill would prohibit obligation of the funds for procurement of Copperhead until the Secretary of Defense certifies that a second production source has been established.

Lightweight multi-purpose weapons

The budget request contains $82.5 million for the procurement of 136,000 lightweight multi-purpose weapons and $2.5 million for procurement of training rounds.

The committee is aware of the time and resources that the Army has expended in its efforts to provide a lightweight muliti-purpose weapon suitable for the infantryman. The Army is currently procuring the Swedish built AT-4 weapon system. The committee has reviewed documentation that reveals that this production decision was made contrary to recommendations from user commands in their efforts to lighten the soldier's load, while maintaining his mission capabilities.

In providing fiscal year 1986 appropriations for the Army, the Congress directed that the Army complete operational testing of the M72E4 weapon system (a joint US/Norway project) and that the item by type-classified using available funds (H. Rept. 99-332). To date, the Army has not complied with the Congressional direction.

The committee recommends the requested authorization. Section 122(g) would prohibit obligation of the funds for procurement of the AT-4 weapon until the Secretary of the Army (1) completes development and operational testing of the M72E4 light antiarmor weapon, (2) type classifies the M72E4 weapon; (3) acquires a technical data package for the M72E4 weapon.

Authorization of ammunition plants

In the recent past, the Department of the Army has requested authorizations for construction associated with ammunition plants in conjunction with both military construction and Department of Defense authorization legislation. This has resulted in duplication in the authorization process and in projects being authorized twice. To eliminate this problem, the committee directs that the authorizations for construction associated with ammunition plants in fiscal year 1988 and subsequent years be requested in conjunction with Department of Defense authorization legislation only. The fiscal year 1987 authorization has been provided only in the Department of Defense authorization bill and not in the Military Construction authorization bill in concert with this new policy.

Demonstration of casting

The committee directs that within the authorization for army ammunition for fiscal year 1987, $6.0 million be used for conducting a demonstration of advanced casting technology in the production of selected artillery and mortar projectiles. The demonstration should be sufficiently comprehensive to validate the opportunity for reduced costs in volume production. Successful application of this technology could significantly lower amounts required for future ammunition procurements. On completion of the demonstration, program results should be submitted to the Committees on Armed Services of the Senate and House of Representatives.

OTHER PROCUREMENT, ARMY
[Amounts in millions of dollars]

Item	FY 1987 Request Quantity	FY 1987 Request Amount	Committee Recommendation Quantity	Committee Recommendation Amount	Change from Request Quantity	Change from Request Amount	
Budget Activity 01: Tactical and Support Vehicles							
Tactical Vehicles							
Chassis Trailer,GP, 3 1/2T, 2W, M353	618	3.7	0	0.0	-618	-3.7	6
Semitrailer, Tank, 7500G, Bulkhaul.	187	7.3	0	0.0	-187	-7.3	6
Semitrailer Van Supply 12T,2W,M129A2	242	7.0	0	0.0	-242	-7.0	6
Trailer, Heavy, Expanded............	286	7.4		5.4		-2.0	4
Small Unit Support Vehicle (SUSV)..	241	26.2		13.8		-12.4	1
Truck, 10 ton, 8x8..................	1523	234.3	1773	284.3	250	50.0	
Non-tactical Vehicles							
Passenger Carrying Vehicles.........	480	13.8	0	0.0	-480	-13.8	2
General Purpose Vehicles............	2246	34.9	0	0.0	-2246	-34.9	2
Special Purpose Vehicles............	639	9.7	0	0.0	-639	-9.7	2
All Other Tactical and Support Vehicles		521.4		521.4			
Total Tactical and Support Vehicles....		865.7		824.9		-40.8	
Budget Activity 02: Communications and Electronics Equipment							
Telecomm Equip - Read Cmd Comm							
JCSE Equipment (USREDCOM)...........		1.8		1.2		-0.6	1
Telecomm Equip - Joint Tactical Comm Pr							
Mod RCRD TFC Term (MRTT)............		31.9		0.0		-31.9	3
Less prior year (MRTT)..............				-47.6		-47.6	3
Lightweight Digital Facsimile.......		1.2		0.0		-1.2	1
MOB Subscriber Equip................		903.7		853.7		-50.0	2

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 03: Communications and Electronics Equipment (continued)							
Telecomm Equip - Combat Support Comm							
SINCGARS..............................	16000	204.0	0	0.0	-16000	-204.0	
Vehicular Intercom System...........	100	10.2	0	0.0	-100	-10.2	6
Mod of In-Svc Equip (CSC)...........		26.4		19.5		-6.9	1
Telecomm Equip - Starcom Non-DCS							
Southcom C3 Upgrade.................		16.0		11.6		-4.4	3
Telecomm Equip - Satcom-GRD Environ							
DSCS Operations Control Sys (DOCS).		80.3		41.1		-39.2	3
Items Less Than $2.0M (COMSEC).....		11.7		8.2		-3.5	1
Other Elect Sys/Equip - Intelligence Su							
All Source Analysis System..........	[	]	[	]		-20.0	
Trailblazer..........................	[	]	[	]		-35.3	
Other Elect Sys/Equip - Gen Def Intel P							
Intellgnc Data Handling Sys.........	[	]	[	]		-10.2	
Other Elect Sys/Equip - Auto Data Proce							
AMC Five Year ADP Program...........		4.0		2.0		-2.0	1
Army Data Distribution System-Adds.		75.5		32.7		-42.8	3
Supercomputers.......................		22.9		0.0		-22.9	
Trans of Pers Prop..................		2.9		0.0		-2.9	6
Audio Visual							
Items Less Than $2,000,000 (A/V-C-E)		9.1		0.0		-9.1	2
Other Elect Sys/Equip - Tactical Electr							
Meterological Data Sys (FAMAS).....	20	32.8	0	0.0	-20	-32.8	3
Position/Azimuth Determining Sys (PA	107	35.7		25.0		-10.7	3
RPV TR/Design Aerial Recon SyS (TADARS)		117.7		0.0		-117.7	
Joint Stars (ARMY)..................		63.4		0.0		-63.4	7

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 02: Communications and Electronics Equipment (continued)							
Other Elect Sys/Equip - Sup Equip and F							
Spares and Repair Parts.............		260.3		193.1		-67.2	3
Joint Stars spares................		(6.9)		(0.0)		(-6.9)	
All Other Communications and Electronics		1600.7		1600.7			
Total Communications and Electronics Equip		3698.0		2861.5		-836.5	
Budget Activity 03: Other Support Equipment							
Medical Equipment							
Deployable Medical System (DMS)...		88.8		35.5		-53.3	
CBT Sup Equip Medical...............		48.1		20.3		-27.8	
Maintenance Equipment							
Calibration Set Support............		12.7		11.7		-1.0	3
Construction Equipment							
Small Emplacement Excavator (SEE)..	314	25.0		22.9		-2.1	4
Rail Float Containerization Equipment							
Tug Inland and Coastal Waterways...	2	30.1		20.1		-10.0	4
Logistic Support Vessel (LSV)......	1	19.9	0	0.0	-1	-19.9	2
Railway Car, Tank, Pol, 20000G....	209	9.8		5.0		-4.8	2
Other Sdpport Equipment							
Spares and Repair Parts.............		54.4		35.7		-18.7	1
Area Oriented Depot Upgrade.........		60.5		0.0		-60.5	3
All Other Other Support Equipment		1256.0		1256.0			
Total Other Support Equipment..........		1605.3		1407.2		-198.1	
Total Other Procurement, Army..........		6169.0		5093.6		-1075.4	

1 Maintain FY86 level
2 Affordability
3 Execution status
4 Contract savings
5 Reduced increase from FY86
6 Defer new start
7 Classified
8 No requirement

OTHER PROCUREMENT, ARMY

ITEMS OF SPECIAL INTEREST

Tactical and support vehicles

The budget request contained $865.7 million to procure tactical and support vehicles in fiscal year 1987. The committee recommends authorization of $824.9 million for tactical and support vehicles in fiscal year 1987.

The Army's Tactical and Support Vehicle program includes semitrailers, 5-ton trucks, 10-ton trucks, heavy trailers, High Mobility Multi-purpose Wheeled Vehicles (HMMWV), dollies, passenger carrying vehicles, and general purpose vehicles.

The committee recommends approval of the authorization requested except for the programs discussed in the footnotes contained in the preceding table. In addition, the following programs are discussed in more detail.

10-ton trucks—HEMTT.—The request contained $234.3 million for the procurement of 1,523 Heavy Expanded Mobility Tactical Truck (HEMTT) trucks.

Last year, Congress authorized $128.7 million to procure 770 HEMTT trucks. The committee has given highest priority to the Army's 10-ton HEMTT truck program. The committee recognizes the urgent need for these vehicles in both CONUS and Europe.

The trucks are delivered in five basic configurations with various weight carrying capacity, 10- and 15-ton cargo carriers, MLRS platform, 2,500 gallon tankers, wrecker and fifth wheel models. Over 5,000 HEMTT trucks are now in service and their performance, reliability and durability exceeds the Army's specifications. The committee is encouraged by the saving accrued by the HEMTT truck program. It is produced under the Non-Developmental Item (NDI) concept which eliminated research and development funding, uses proven commercial components, and employs a firm, fixed price contract.

Present Army plans call for production of a new family of heavy tactical vehicles beginning in fiscal year 1989. In the event that the new family does not prove to be cost-effective, the Army should be prepared to continue future procurement of the HEMTT beyond fiscal year 1988. The committee recognizes that this would require validation of the technical data package.

As a result of the urgent need for the HEMTT truck program, the committee recommends authorization of $284.3 million to procure 1773 HEMTT trucks and to acquire the technical data package. Section 122(e) would provide the authority for the Secretary of the Army to purchase and validate the technical data package for the HEMTT truck program. Section 122(f) would provide the authority for the Secretary of the Army to exercise remaining fiscal year 1986 options to purchase 412 HEMTT trucks.

Motorcycles.—The budget request contained $7.1 million to purchase 2732 motorcycles.

The committee desires that the Army's acquisition strategy consider the best value, price and other factors in purchasing the motorcycles. Consequently, section 122(c) would prohibit obligation of funds for procurement of motorcycles until the Secretary of the

Army certifies to the Congress that the acquisition strategy includes consideration of life-cycle costs, safety, maintenance, and durability.

Communications and electronics equipment

The budget request contained $3,698.0 million to procure communications and electronics equipment in fiscal year 1987. The committee recommends authorization of $2,861.5 million for communication and electronics equipment in fiscal year 1987.

The committee recommends approval of the authorization requested except for the programs discussed in the footnotes contained in the preceding table. In addition, the following programs are discussed in more detail.

SINCGARS.—The budget request contained $204.0 million to purchase 16,000 SINCGARS radios. SINCGARS is a new family of high frequency combat net radios.

The committee has been informed that the program is experiencing major reliability difficulties. For example, the specifications call for a combat net radio averaging 1,200 hours between failure, but the system presently is averaging less than 300 hours.

Due to these reliability problems and schedule slippage, the committee recommends denying the full authorization request.

Supercomputers.—The budget request contained $22.9 million for procurement of supercomputers for the Army.

The Army plans to purchase supercomputers in order to satisfy requirements for computation at the Army's research and development centers. The committee is concerned, however, that the Army presently lacks a coherent and rational plan for acquisition and deployment of supercomputers. Accordingly, the committee recommends no authorization.

RPVTA/Design aerial reconnaissance system.—The budget request contained $117.7 million for the remotely piloted vehicle (RPV) system consisting of unmanned air vehicles, ground stations, launcher and recovery subsystems, and maintenance shelters.

The RPV system (known as Aquila) is intended to permit the Army to conduct reconnaissance and, at the same time, provide real time strike capability. This is accomplished by using the onboard laser to designate a target for a weapon system such as Copperhead, Hellfire, or laser guided bombs. The system is intended to provide the Army with the potential to utilize the maximum range of the Copperhead artillery system with an unmanned designating system well behind the forward edge of the battle area.

The RPV system, however, has experienced severe cost growth and schedule slippage. Within the past year, for example, the program has been restructured by the Army in an attempt to resolve performance deficiencies.

Although the committee supports the concept of a RPV system capable of real time reconnaissance and strike, it has concerns regarding the total cost of the system, the proposed acquisition strategy, and its mobility.

Consistent with the recommendations in Title II, the committee denies the authorization requested for procurement of the Aquila RPV.

Other support equipment

The budget request contained $1,605.3 million to procure other support for the Army in fiscal year 1987. The committee recommends authorization of $1,407.2 million to procure other support equipment.

The other support equipment category includes chemical defense equipment, bridging equipment, engineering equipment, combat service support equipment, water equipment, medical equipment, rail equipment, construction equipment, maintenance equipment, pretroleum equipment, material handling equipment, other support equipment, and generators.

The committee recommends approval of authorization requested except for those programs discussed in the footnotes contained in the preceding table. In addition, the following programs are discussed in more detail.

Deployable medical system.—Although the committee recognizes and supports the need to improve wartime medical readiness, it is concerned with the Army's procurement plan and management of deployable hospitals—called deployable medical systems (DEPMEDS)—and with the effects a new "concept" for treating battlefield casualties is having on the hospital program.

The committee is particularly concerned that the Army is procuring deploying hospitals faster than it can equip and field them.

By way of background, the Amry currently has five pre-DEPMEDS general hospitals that were authorized and funded beginning in fiscal year 1980 and ending in fiscal year 1984. (DEPMEDS are standardized hospital modules designed to be prepositioned in the theater. Pre-DEPMEDS are the non-standardized hospitals that preceded the DEPMEDS program.) The pre-DEPMEDS hospitals are currently stored in the United Kingdom, but they apparently have far less than half of their required equipment six years after the initial authorization of the program. Moreover, the fielding dates for DEPMEDS authorized in previous years have already begun to slip. In view of the substantial difficulties the Army has experienced in fielding the pre-DEPMEDS located in the United Kingdom as well as the previously authorized DEPMEDS, the committee is not convinced that the Army can successfully field all of the 62 DEPMEDS funded through fiscal year 1986 or the 21 additional DEPMEDS requested for fiscal year 1987.

Another area of concern is the "Health System Support of Airland Battle"—a new wartime medical support concept under review by the Army. If approved, this concept could significantly alter the plans for procurement of hospitals and associated equipment. (For example, a general hospital under today's plan has 1000 beds; under the new concept, the size of this hospital would be reduced to 500 beds). In some ways, the concept has already altered the Army's procurement plans even though it has not yet been approved. The committee notes with concern that despite the critical need for increased surgical support in combat zone areas, the Army has not requested any mobile Army surgical hospitals (MASH) in fiscal year 1987 because these hospitals are eliminated under the concept.

The committee also has many unanswered questions surrounding "Health System Support of Airland Battle." For example, although the concept assumes that patients will be moved more quickly through the medical system in theater and, if they can not be returned to duty, evacuated rapidly and in greater numbers to the United States, the availability of aeromedical evacuation aircraft to move the patients is highly uncertain. The committee believes that the Air Force may already have difficulties in transporting the required number of casualties under today's system let alone the increased numbers of casualties under the new concept. Second, the committee is concerned that some of the equipment procured under the current system may become excess if the new concept is approved—a situation the department cannot afford during times of severe budgetary constraints. Finally, the committee notes that the Army's medical requirements would not decrease under the new concept; rather, many of the beds, surgeons and other intensive care requirements would be shifted from the theater to the United States. Given that the concept transfers workload from one location to another but does not decrease workload, the committee questions whether it will, as the Army asserts, provide better, more timely care to critically wounded soldiers or merely shift critical shortages from the wartime theater to the United States.

In view of existing fielding problems as well as the uncertainty surrounding the new battlefield casualty management concept, the committee recommends denying the Army's request for eight general hospitals and one station hospital in fiscal year 1987. The committee stresses that this action should not be interpreted as a lack of support for the DEPMEDS program but rather as a pause to allow the resolution of specific fielding and management problems. The committee expects the Army to fully coordinate "Health System Support of Airland Battle" with the other services, the JCS and the Assistant Secretary of Defense for Health Affairs before making a final decision on implementation and to provide the committee with periodic updates of progress in this area.

AIRCRAFT PROCUREMENT, NAVY
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 01: Combat Aircraft						
A-6E (Intruder).....................	11	354.0	11	354.0		
Less advance procurement (PY).....		-75.1		-75.1		
Net..............................		278.9		278.9		
A-6E advance procurement (CY)		80.0		80.0		
EA-6B (Prowler)....................	12	441.5	12	441.5		
Less advance procurement (PY).....		-23.8		-23.8		
Net..............................		417.7		417.7		
EA-6B advance procurement (CY)....		22.0		22.0		
AV-8B (Harrier)....................	42	706.4	42	706.4		
Less advance procurement (PY).....		-83.1		-83.1		
Net..............................		623.3		623.3		
AV-8B advance procurement (CY)....		77.0		77.0		
F-14A (Tomcat).....................	15	660.3	15	660.3		
Less advance procurement (PY).....		-119.2		-119.2		
Net..............................		541.1		541.1		
F-14A advance procurement (CY)....		127.7		127.7		
F-18 (Hornet)......................	120	3098.0	96	2668		
Less advance procurement (PY).....		-201.6		-201.6		
Net..............................		2896.4		2466.4	-24	-430.0
F-18 advance procurement (CY).....	(132)	405.9	(102)	305.9	(-30)	-100.0
CH/MH-53E (Super Stallion) (MYP)..	14	219.5	14	219.5		
Less advance procurement (PY).....		-30.5		-30.5		
Net..............................		189.0		189.0		
CH-53E advance procurement (CY)...		30.9		30.9		
AH-1T (Sea Cobra)..................		36.2		36.2		
SH-60B (Seahawk)...................	17	252.3	11	181.9		
Less advance procurement (PY).....		-52.7		-52.7		
Net..............................		199.6		129.2	-6	-70.4
SH-60B advance procurement (CY)...		21.1		21.1		
SH-60F (CV ASW Helo)...............	7	168.8	7	147.8		
Less advance procurement (PY).....		-30.0		-30.0		
Net..............................		138.8		117.8		-21.0 4
SH-60F (CV ASW Helo) advance procurement (CY)................		29.4		29.4		

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 01: Combat aircraft (continued)						
P-3C (Orion)..........................	9	401.7	0	89.3		
Less advance procurement (PY).....		-89.3		-89.3		
Net.............................		312.4		0.0	-9	-312.4
P-3C advance procurement (CY).....		93.2		93.2		
E-2C (Hawkeye).....................	6	316.5	6	316.5		
Less advance procurement (PY).....		-30.0		-30.0		
Net.............................		286.5		286.5		
E-2C advance procurement (CY).....		24.1		24.1		
SH-2F (Seasprite)..................	6	59.2	6	59.2		
Less advance procurement (PY).....		-6.4		-6.4		
Net.............................		52.8		52.8		
Total Combat Aircraft..................		6884.0		5950.2		-933.8
Budget Activity 02: Airlift Aircraft						
C-2 (Greyhound)....................	9	175.8	9	175.8		
Less advance procurement (PY).....		-76.1		-76.1		
Net.............................		99.7		99.7		
Total Airlift Aircraft................		99.7		99.7		
Budget Activity 03: Trainer Aircraft						
T-45TS GOSHAWK advance procurement (CY)		56.4		56.4		
Total Trainer Aircraft................		56.4		56.4		
Budget Activity 04: Other Aircraft						
E-6A...............................	3	282.6	1	139.0		
Less advance procurement (PY).....		-55.9		-55.9		
Net.............................		226.7		83.1	-2	-143.6
E-6A advance procurement (CY).....	(3)	72.9	(1)	24.3	(-2)	-48.6
VH-60..............................		24.7		0.0		-24.7 9
Total Other Aircraft..................		324.3		107.4		-216.9

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 05: Modification of Aircraft							
A-3 series		1.5		1.5			
A-4 series		19.7		9.7		-10.0	1
A-6 series		379.2		379.2			
EA-6 series		39.4		36.4		-3.0	1
A-7 series		0.9		0.9			
AV-8 series		1.5		1.5			
F-4 series		4.9		3.3		-1.6	1
RF-4 series		1.4		1.4			
F-14 series		187.3		187.3			
F-8 series		0.1		0.1			
F-5 series		1.0		1.0			
OV-10 series		67.5		50.0		-17.5	1
F-18 series		5.9		5.9			
H-46 series		67.9		32.2		-35.7	6
H-53 series		22.6		22.6			
SH-60 series		3.3		1.5		-1.8	1
H-1 series		58.4		58.4			
H-2 series		4.2		36.5		32.3	
H-3 series		38.6		27.7		-10.9	9
EP-3 series		47.5		47.5			
P-3 series		38.4		38.4			
S-3 series mods		215.4		204.3		-11.1	4
E-2 series		41.4		41.4			
Trainer a/c series		6.7		6.7			
EC-130 series		16.6		16.6			
C-130 series		6.9		6.9			
FEWSG		17.2		17.2			
Cargo/transport a/c series		5.1		5.1			
Various		3.8		3.8			
Power plant changes		2.7		2.7			
Misc flt safety/oper necessity changes		0.9		0.9			
Common ECM equipment		97.8		68.4		-29.4	2
Common avionics changes		21.6		33.1		11.5	
Total Modification of Aircraft		1427.3		1350.1		-77.2	

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 06: Aircraft Spares and Repair Parts						
Initial spares......................		559.9		475.2		-84.7
FA-18..........................		(104.4)		(68.9)		(-35.5)
AH-IT..........................		(1.0)		(0.0)		(-1.0)
SH-60B..........................		(14.1)		(4.4)		(-9.7)
P-3C..........................		(8.6)		(0.0)		(-8.6)
E-6A..........................		(29.9)		(0.0)		(-29.9)
Replenishment spares................		1296.3		1062.4		-233.9 5
Total Aircraft Spares and Repair Parts.		1856.2		1537.6		-318.6
Budget Activity 07: Aircraft Support Equipment and Facilities						
Common ground equipment		538.6		538.6		
Aircraft industrial facilities		32.6		32.6		
War concumables		34.5		34.5		
Other production charges..........		50.9		50.9		
Total Aircraft Support Equipment and Facilities..........................		656.6		656.6		
Aircraft Procurement, Navy............		11304.5		9758.0		-1546.5
Rounding adjustment....................		-0.2				0.2
Total Aircraft Procurement, Navy.......		11304.3		9758.0		-1546.3

1 Maintain FY86 level
2 Affordability
3 Execution status
4 Contract savings
5 Reduce increase
6 Defer new start
7 Classified
8 Sustainability
9 No requirement

AIRCRAFT PROCUREMENT, NAVY

OVERVIEW

The budget request for fiscal year 1987 contained $11,304.3 million for Aircraft Procurement, Navy. The committee recommends authorization of $9,758.0 million, a reduction of $1,546.3 million.

ITEMS OF SPECIAL INTEREST

A-6E attack aircraft (Intruder)

The budget request contained $278.9 million for procurement of 11 A-6E aircraft in fiscal year 1987 and $80.0 million for advance procurement of 12 A-6F aircraft in fiscal year 1988. The budget request also contained $31.2 million for procurement of initial spares.

The A-6E aircraft is the Navy's only all weather attack aircraft. It is a long-range, twin-jet, carrier-based, attack aircraft capable of very accurate navigation and delivery of nuclear and non-nuclear weapons from its five external store stations. The requested program provides advance procurement for the A-6F—an improved A-6 incorporating advanced avionics and F-404 engines.

The committee has been informed that the Navy has decided to replace existing Liquid Oxygen Systems (LOX) with an On-Board Oxygen Generating System (OBOGS) for carrier aircraft in the interest of shipboard safety and dollar savings. Further, the committee understands that installation of an OBOGS is best and most affordably accomplished during aircraft manufacture, yet the current A-6F baseline program does not include an OBOGS. Accordingly, the Secretary of the Navy is directed to incorporate an OBOGS in the A-6F.

The committee recommends authorization of the amounts requested.

F-14A fighter aircraft (Tomcat)

The budget request contained $541.1 million to procure 15 aircraft in fiscal year 1987 and $127.7 million to support the procurement of 12 aircraft in fiscal year 1988. The budget request also contained $27.1 million for initial spares.

The F-14A aircraft is a two-seat, two-engine, long range interceptor designed to provide for fleet air defense against enemy aircraft equipped with cruise missiles and to maintain area air superiority. The requested program would procure 15 aircraft equipped with the new F-110 engine and designated the F-14A (plus) and would provide advance procurement for an improved F-14 incorporating advanced avionics and designated the F-14D.

As in the case of the A-6E aircraft discussed above, the committee is concerned that the F-14D baseline program may not include an On-Board Oxygen Generating System (OBOGS). Accordingly, the Secretary of the Navy is directed to incorporate an OBOGS in the F-14D.

The committee recommends authorization of the amounts requested.

FA-18 fighter attack aircraft (Hornet)

The budget request contained $2,896.4 million to procure 120 aircraft in fiscal year 1987 and $405.9 million to support the procurement of 132 aircraft in fiscal year 1988 and $104.4 million for initial spares.

The F-18 is a single-seat, two-engine, supersonic aircraft designed to perform beyond-visual-range air intercept fighter escort, air superiority, and air-to-surface strike and close air support missions against both land and sea targets.

As in the case of the A-6E aircraft discussed above, the committee is concerned that the FA-18 baseline program may not include an On-Board Oxygen Generating System (OBOGS). Accordingly, the Secretary of the Navy is directed to incorporate an OBOGS in fiscal year 1988 and subsequent FA-18 aircraft.

Although the committee looks with favor on the FA-18 program, budgetary considerations limit authorization to $2,466.4 million to procure 96 aircraft in fiscal year 1987, $305.9 million for advance procurement for 102 aircraft in fiscal year 1988, and $60.2 million for initial spares. Section 110 denies multiyear procurement authority.

SH-60B antisubmarine warfare helicopter (Seahawk)

The budget request contained $199.6 million to procure 17 aircraft in fiscal year 1987 and $21.1 million to support advance procurement of 6 aircraft in fiscal year 1988. The budget request also contained $14.1 million for initial spares.

The SH-60B is the air subsystem of the Light Airborne Multi-Purpose System (LAMPS MK III) antisubmarine warfare system (ASW). It is a computer integrated ship/helicopter system with a primary mission of locating and destroying enemy submarines at ranges distant from naval battle groups. A secondary mission is anti-ship surveillance and targeting.

Due to budgetary considerations, the committee reduced the SH-60B program by 7 aircraft to accommodate production start up of the higher priority SH-60F CV-ASW helicopter. Because the SH-60B and the SH-60F helicopters are produced in a common facility, last year's SH-60 aircraft production rate can be maintained by the combined authorization levels recommended for the SH-60B and SH-60F programs this year.

Accordingly, the committee recommends authorization of $129.2 million for procurement of 11 aircraft in fiscal year 1987, $21.1 million for advance procurement of 6 aircraft in fiscal year 1988, and $14.1 million for initial spares.

SH-60F antisubmarine warfare helicopter (CV ASW Helo)

The budget request contained $138.8 million to procure 7 aircraft in fiscal year 1987 and $29.4 million to support advance procurement of 18 aircraft in fiscal year 1988. The budget request also contained $11.2 million for initial spares.

The SH-60F is the aircraft carrier battlegroup close range antisubmarine warfare (ASW) system. It is a helicopter system that uses a dipping sonar and an on-board sonobuoy processor. Secondary missions include search and rescue, logistics support, medical evacuation and plane guard.

The committee recommends authorization of $117.8 million for procurement of 7 aircraft in fiscal year 1987, $29.4 million for advance procurement of 18 aircraft in fiscal year 1988, and $11.2 million for initial spares.

P-3C (Orion)

The budget request contained $312.4 million to procure 9 aircraft in fiscal year 1987, $93.2 million to support the procurement of 9 aircraft in fiscal year 1988, and $8.6 million for initial spares.

The P-3C is a land-based, four-engine turboprop, antisubmarine warfare (ASW) maritime patrol aircraft incorporating an Update III mission avionics suite. The P-3C performs long-range, forward-area and open-ocean ASW, direct surface and subsurface surveillance, antisurface warfare intelligence operations and mining.

The committee finds that the situation regarding procurement of P-3C aircraft is essentially unchanged from that outlined in the conference report on the fiscal year 1986 Defense Authorization Act (H. Rept. 99-235). First, the procurement program remains an annual struggle between the Navy and the Office of the Secretary of Defense with the result that an inefficient program is perpetuated. This debate has not addressed the real issues involved with strengthening our long-range ASW capabilities in the face of Soviet advances in submarine warfare. Second, competition in the current program is inefficient. Third, the Aircraft Procurement, Navy account is currently experiencing negative growth and will likely be static at best in the coming years.

To address the problem, the conference report required the Navy to submit a report with supporting analysis justifying the way in which the Navy allocated budget authority cost effectively between P-3C aircraft and P-3 aircraft modifications prior to obligating fiscal year 1986 funds for the P-3 program. Further, the Navy was required to establish a long-range maritime patrol (VP) procurement plan to expand the capabilities of the VP fleet, introduce competition into the program and provide for greater capabilities within the same general budget share.

To date, the committee has not received the required report, yet fiscal year 1986 funds have been obligated. Despite speculation concerning a more capable successor to the current P-3C (VPX, P-3D, P-3G and Update IV mission avionics), the committee has not been provided a long-range maritime patrol procurement plan. In view of the above, the committee recommends no authorization for procurement of P-3C aircraft and initial spares for fiscal year 1987 at this time. In addition, the committee believes that the capabilities of the VP fleet can be expanded within the same general budget share by the introduction of greater competition into the overall program. Accordingly, authorization of $93.2 million is recommended for advance procurement of P-3G Update IV aircraft. Section 126 limits procurement to P-3G Update IV configured aircraft procured through competitive procedures.

SH-2F antisubmarine warfare helicopter (Seasprite)

The budget request contained $52.8 million to procure 6 SH-2F aircraft in fiscal year 1987.

The SH-2F is the air subsystem of the Light Airborne Multi-Purpose System (LAMPS-MKI) antisubmarine warfare system (ASW). It is a ship/helicopter system with a primary mission of locating and destroying enemy submarines at ranges distant from naval battle groups. A secondary mission is anti-ship surveillance and targeting.

The conference report on the fiscal year 1986 Defense Authorization Act (H. Rept. 99-235) required a report on the feasibility, operational desirability and cost of alternative ASW helicopter/ship systems to improve the overall ASW capability of those ships not scheduled for the SH-60B LAMPS MK III system. In its report, the Navy concludes that the best alternative is to upgrade the existing systems on the SH-2F/LAMPS MK I using equipment in production. This plan includes an SH-2F with T700 engines and a standard acoustic processor that provides a four-fold increase in ASW capability over the baseline SH-2F and complements future shipboard sensor improvements. It achieves the objectives of low cost, low risk, and timely fleet introduction.

The committee strongly supports the Navy's conclusion and recommends authorization of the amount requested. Section 126 limits the authority to procure only SH-2F helicopters configured with the T-700 engine.

E-6A (TACAMO) electronic communications aircraft

The budget request contained $226.7 million for procurement of 3 E-6A TACAMO aircraft, $72.9 million for advance procurement and $29.9 million for initial spares.

The E-6A is designed to replace the EC-130 aircraft that now serves as airborne strategic communications platform to provide for Minimum Emergency Essential Communication Network requirements as an airborne communications relay interfacing with sea-launched ballistic missile forces and other Command and Control authorities.

The committee recognizes the importance of the TACAMO mission in the President's strategic modernization program. The committee also recognizes the advantageous contract between the Navy and its prime contractor and that the Defense Department has authorized the Navy to provide full funding to maintain certain not-to-exceed prices within the contract.

Nevertheless, the committee is aware that more capable alternatives/complements to the E-6A TACAMO may now be reasonably available. Accordingly, and in concert with the Secretary of the Navy, the Secretary of Defense is directed to evaluate satellite laser communications alternatives/complements to the current E-6A TACAMO program and report his findings and recommendation to the Committees on Armed Services of the Senate and House of Representatives prior to obligating fiscal year 1987 funds for the E-6A program.

Although the committee looks with favor on the continuation of funding for this strategic communications mission, budgetary considerations limit authorization to one aircraft. Therefore, the committee recommends authorization of $83.1 million to procure one E6A aircraft, $24.3 million for advance procurement of one aircraft in fiscal year 1988, and no authorization for initial spares.

Modification of Navy aircraft

The budget request contained $1,427.3 million for Navy aircraft modifications for fiscal year 1987.

The aircraft modification includes incorporation of technical improvements that substantially modernize the operational capabilities; improve the maintainability, reliability, and safety; and extend the service life of aircraft that have entered the fleet. Two areas of particular importance are discussed below.

Consistent with the discussion in the SH-2F section of this report, $36.5 million is recommended for the SH-2F LAMPS MK I upgrade program.

The committee has always supported cost effective efforts to improve aircraft safety in the military forces. One avenue for achieving this objective is through the use of second generation or later ground proximity warning systems to avoid controlled-flight-into-terrain accidents. Data available to the committee indicates that for transport aircraft, the accident rate for those without a ground proximity warning system is approximately twice that of those equipped with the system. The cost in both aircraft and pilots lost far outweighs the cost of installation of ground proximity warning systems.

The committee recommends authorization of $33.1 million for common avionics including $11.5 million to procure initial retrofit kits for high risk transport aircraft such as E-2/C-2, T-39 and UC-12B.

The committee recommends authorization of $1,350.1 million, a reduction of $77.2 million from the request.

WEAPONS PROCUREMENT, NAVY
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 01: Ballistic Missiles							
Ballistic missiles							
UGM-73 (Poseidon)..................		4.0		4.0			
UGM-96A (Trident I)................		7.4		7.4			
Less advance procurement (PY).....		-2.7		-2.7			
Net............................		4.7		4.7			
Trident II.........................	21	1368.9	21	1368.9			
Less advance procurement (PY).....		-244.5		-244.5			
Net............................		1124.4		1124.4			
Trident II advance procurement (CY)		300.0		300.0			
Modification of ballistic missiles							
UGM-73A (C-3) Poseidon mods.......		0.1		0.1			
Support equipment and facilities							
Missile industrial facilities.....		3.8		3.8			
Total Ballistic Missiles................		1437.0		1437.0			
Budget Activity 02: Other Missiles							
Strategic missiles							
BGM-109 (Tomahawk) (Strategic)....	324	776.3	324	698.1			
Less advance procurement (PY).....		-54.6		-54.6			
Net............................		721.7		643.5		-78.2	4
Tomahawk advance procurement (CY).		68.8		68.8			
AIM/RIM-7 F/M (Sparrow)...........	1716	279.4	1716	259.1		-20.3	4
AIM-9 L/M (Sidewinder)............	627	47.0	627	47.0			
Sidewinder advance procurement (CY)		17.6		0.0		-17.6	9
AIM-54 A/C (Phoenix)...............	205	314.1	300	300.3			
Less advance procurement (PY).....		-24.8		-24.8			
Net............................		289.3		275.5	95	-13.8	4
Phoenix advance procurement (CY)..		28.4		28.4			
AGM-84A (Harpoon)..................	94	128.4	94	128.4			
AGM-84A (Harpoon) advance procurement (CY)		11.5		0		-11.5	9
AGM-88A (HARM).....................	1110	256.7	1110	256.7			
SM-2 MR (RIM-66G/H/J)..............	844	513.6	844	513.6			
SM-2 ER (RIM-67-C).................	350	217.0	350	217.0			

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 02: Other Missiles (continued)							
Tactical missiles (continued)							
RAM	50	63.2	0	0.0	-50	-63.2	3
Stinger	685	51.9	685	39.7		-12.2	4
Sidearm	256	22.9	256	22.9			
Laser Maverick	1800	198.8	1800	198.8			
IIR Maverick	419	52.1	195	24.3	-224	-27.8	1
Aerial targets		97.4		97.4			
Drones and decoys		36.1		49.6		13.5	3
Other missile support		22.0		11.5		-10.5	1
Modification of missiles							
Tomahawk mods		7.2		7.2			
AIM/RIM-7E/F Sparrow mod		1.2		1.2			
AIM-9 Sidewinder mod		3.1		3.1			
Standard missile mod		2.1		2.1			
Support equipment and facilities							
Weapons industrial facilities		7.5		7.5			
Fleet satellite communications		65.1		65.1			
Ordnance support equipment		133.0		133.0			
Other Missiles		3343.0		3101.4		-241.6	
Rounding adjustment		0.1				-0.1	
Total Navy Other Missiles		3343.1		3101.4		-241.7	

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 03: Torpedoes and Related Equipment						
Torpedoes and Related Equipment						
Torpedo MK-48 ADCAP	227	508.4	50	214.8	-177	-293.6
ASUW torpedo	34	17.0	0	0.0	-34	-17.0
Torpedo MK-46 (MYP)	500	97.7	500	97.7		
Less advance procurement (PY)		-23.6		-23.6		
Net		74.1		74.1		
MK-46 Torpedo advance procurement (CY)		23.8		23.8		
Advanced lightweight torpedo	84	109.9	67	94.9	-17	-15.0
MK-60 Captor			130	59.5	130	59.5
ASROC		13.6		13.6		
Vertical launched ASROC	200	74.3	200	74.3		
Modification of Torpedoes & Related Equipment						
Torpedo MK-46 Mods (MYP)	672	85.4	672	85.4		
Less advance procurement (PY)		-8.4		-8.4		
Net		77.0		77.0		
MK-46 mods advance procurement (CY)		5.2		5.2		
Captor mods		11.6		11.6		
Swimmer weapons system		3.9		3.9		
Torpedo support equipment		32.5		32.5		
ASW range support		20.1		20.1		
Total Torpedoes and Related Equipment		971.4		705.3		-266.1
Budget Activity 04: Other Weapons						
Guns and Gun Mounts						
MK-15 close in weapons system	27	105.6	27	105.6		
MK-75 76mm gun mount	5	14.9	5	14.9		
MK-19/40mm machine gun	25	0.6	25	0.6		
25mm gun mount	22	3.9	22	3.9		
Small arms and weapons		10.1		10.1		

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 04: Other Weapons (continued)						
Modification of Guns and Gun Mounts						
CIWS mods........................		43.0		43.0		
5'/54 gun mount mods.............		6.1		6.1		
3'/50 gun mount mods.............		1.6		1.6		
MK 75 76mm gun mount mods.........		4.1		4.1		
Mods under $900,000...............		2.4		2.4		
Support Equipment						
Gun support equipment.............		0.9		0.9		
Total Other Weapons....................		193.2		193.2		
Budget Activity 05: Spares and Repair Parts		150.7		150.7		
Total Spares and Repair Parts..........		150.7		150.7		
Total Weapons Procurement, Navy........		6095.4		5587.6		-507.8

1 Maintain FY86 level
2 Affordability
3 Execution status
4 Contract savings
5 Reduce increase
6 Defer new start
7 Classified
8 Sustainability
9 No requirement

WEAPONS PROCUREMENT, NAVY

OVERVIEW

The budget request for fiscal year 1987 contained $6,095.4 million for Weapons Procurement, Navy. The committee recommends authorization of $5,587.6 million, a reduction of $507.8 million from the request.

ITEMS OF SPECIAL INTEREST

Ballistic missiles

The budget request contained $1,437.0 million for ballistic missiles. The committee recommends authorization of the amount requested.

Other missiles

The budget request contained $3,343.1 million for other missiles. The committee recommends authorization of $3,101.4 million, a reduction of $241.7 million from the request.

Harm missile.—Section 110 denies multiyear procurement authority.

Drones and decoys.—The budget request contained $36.1 million to procure drones and decoys in fiscal year 1987.

The committee is extremely interested in the military exploitation of unmanned aerial vehicles (UAV's). The committee's concerns regarding such programs are discussed earlier in this report.

Prior to obligating fiscal year 1987 funds for procurement of UAV's, the Secretary of the Navy shall report the status of the ongoing UAV evaluations to the Committees on Armed Services of the Senate and House of Representatives.

The committee recommends authorization of $49.6 million, an increase of $13.5 millions from the request to reflect contract experience.

ITEMS OF SPECIAL INTEREST, TORPEDOES AND RELATED EQUIPMENT

MK-48 advanced capability (ADCAP) torpedo

The committee recommends authorization of $214.8 million for 50 MK-48 ADCAP torpedoes, a reduction of $293.6 million from the budget request.

The MK-48 ADCAP torpedo is an improved version of the MK-48, designed to counter the quieter, faster, deeper-diving enemy submarine threat through the 1990s. The MK-48 ADCAP has specific design features enabling it to operate successfully in high sea states, shallow water, in water with abrupt changes in temperature and under the ice.

The committee continues to support strongly the introduction of the highly capable MK-48 ADCAP torpedo. Nevertheless, delays incurred in correcting problems discovered in recent ADCAP testing would make imprudent the approval of the full production request.

The committee is also concerned that long-term pressures to reduce the defense budget will preclude the Navy from attaining the high production rates it plans for this weapon over the next several years. The combination of the Navy's ADCAP inventory objective and planned future production rates would complete purchase of the ADCAP much faster than the MK-48 program. The maintenance of a "warm" production base for heavyweight torpedoes is a major mobilization base consideration that must be taken into account in establishing production rates.

Anti-surface warfare (ASUW) torpedo

The budget request contained $17.0 million for 34 antisurface warfare (ASUW) torpedoes. As described by the Navy, the ASUW torpedo would be a lower cost, lower capability submarine-launched torpedo that would be used to attack merchant ships in a protracted conventional conflict. It would primarily be held in reserve and used to reload submarines returning from wartime patrols.

The committee notes that although the concept of a lower-cost torpedo is attractive, the Navy is planning to more than double current inventories of the existing MK-48 heavyweight torpedo with the planned purchase of the more capable MK-48 Advanced Capability (ADCAP) torpedo. The committee believes that planned inventories of the MK-48 and ADCAP torpedo will provide adequate numbers of submarine-launched torpedoes for the submarine force. The reduction is also motivated by the committee's concern about the proliferation of torpedo production lines that would result from approval of the budget request in light of current and possible future fiscal constraints.

Accordingly, the committee recommends disapproval of the requested authorization for the ASUW torpedo.

MK-50 advanced lightweight torpedo

The budget request included $109.9 million for 84 MK-50 advanced lightweight torpedoes.

The MK-50 is a lightweight torpedo with improved performance and lethality for use by the Navy's air and surface ASW forces. It will eventually replace the MK-46 torpedo currently in the Navy inventory.

The committee strongly supports the introduction of a new lightweight torpedo into the fleet at this time. Nevertheless, it is concerned that long-term pressures to reduce the defense budget will preclude the Navy from attaining the high production rates it plans for this weapon over the next several years.

The committee also notes that the combination of the Navy's inventory objective for the MK-50 and planned production rates would complete the purchase of these torpedoes in about 8 years. The maintenance of a "warm" production base for lightweight torpedoes is a major mobilization base consideration that must be taken into account in establishing production rates. The MK-46 lightweight torpedo, for example, has been in production for 22 years.

Accordingly, in view of budgetary uncertainties and mobilization base concerns the committee recommends an authorization of $94.9 million for 67 torpedoes, a reduction of $15 million from the requested amount.

MK-60 Captor (encapsulated torpedo)

The committee recommends the addition of $59.5 million for 130 MK-60 Captor deep-water mines.

The Captor mine is a moored, anti-submarine mine that detects submerged submarines while rejecting surface targets. It is capable of launching a modified MK-46 torpedo against a submarine.

As was the case last year, this year's budget contained no request for additional Captor mines. Nonetheless, less than two-thirds of the Navy's stated requirement for these mines would be met by deliveries and procurements through fiscal year 1986.

Accordingly, the committee directs a continuation of this program with the procurement of additional units.

In addition, the committee directs that the Captor mine be renamed the Hartnett mine by the Navy in light of the significant contributions to mine warfare made by Congressman Thomas F. Hartnett of South Carolina, who is retiring from the Congress this year.

ITEMS APPROVED AS REQUESTED, TORPEDOES AND RELATED EQUIPMENT

MK-46 torpedo neartip (near term improvement program)

The committee recommends approval of the request for $97.9 million for 500 MK-46 NEARTIP torpedoes. The amount requested includes $23.8 million for advance procurement of long-lead material required to implement the final year of a three-year multiyear procurement program for the torpedo.

The MK-46 is a conventional lightweight torpedo designed for launch from surface vessel tubes, anti-submarine rocket (ASROC) launchers, and fixed and rotary wing aircraft.

Antisubmarine rocket (ASROC) component replacement

The committee recommends approval of the request for $13.6 million for ASROC components to replace those expended during training exercises.

Vertical launched ASROC

The committee recommends approval of the request for $74.3 million for the vertical launched ASROC (VLA).

VLA is a rocket-propelled antisubmarine (ASW) torpedo that will provide a standoff ASW weapon capability for the CG-47, DDG-51 and DD-963 class ships configured with Vertical Launching Systems.

Modification of torpedoes and related equipment

The committee recommends approval of the request for $97.7 million for modification of the MK-46 torpedo, MK-60 Captor mine and the swimmer weapons system.

Support equipment

The committee recommends approval of the request for $52.6 million for support equipment. Of the amount requested in fiscal year 1987, $32.5 million is for torpedo support equipment and $20.1 million is for antisubmarine warfare (ASW) range support.

ITEMS APPROVED AS REQUESTED, OTHER WEAPONS

MK-15 close-in weapons system (CIWS-PHALANX)

The committee recommends approval of the request for $105.6 million for 27 MK-15 close-in weapon systems (CIWS-PHALANX).

MK-75 76mm gun mount

The committee recommends approval of the request for $14.9 million for five MK-75, 76 millimeter gun mounts. The gun is the OTO-MALERA designed, dual purpose, high rate of fire gun for surface ships.

MK-19 40mm machine gun

The committee recommends approval of the request for $0.6 million for 25 MK-19 machine guns. The MK-19 40 millimeter machine gun is an air-cooled weapon capable of firing grenade cartridges and is used on ships and craft.

25mm gun mount

The committee recommends approval of the request for $3.9 million for 22 25 millimeter gun mounts.

Small arms and weapons

The committee recommends approval of the request for $10.1 million for small arms and weapons. These small arms and weapons are for support, training and security of Navy ship and ashore activities.

Modification of guns and gun mounts

The committee recommends approval of the request for $57.2 million for modification of guns and gun mounts, including the MK-15 close-in weapons system (CIWS), 5″/54 caliber (MK-45), 3″/50 caliber and 76 millimeter (MK-75) gun mounts.

Gun support equipment

The committee recommends approval of the request for $0.9 million to procure a variety of items in support of surface gun systems including training aids, small arms and minor caliber ordnance.

ITEMS APPROVED AS REQUESTED, SPARES AND REPAIR PARTS

Spares and repair parts

The committee recommends authorization of $150.7 million, the amount requested, for spares and repair parts associated with Navy weapons procurement.

SHIPBUILDING AND CONVERSION, NAVY
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 01: Fleet Ballistic Missile Ships						
Trident nuclear submarine.........	1	1537.7				
Less advance procurement (PY).....		-175.0				
Net..........................		1362.7		0.0	-1	-1362.7
Trident advance procurement (CY)..		146.4		0.0		-146.4
Total Fleet Ballistic Missile Ships....		1509.1		0.0		-1509.1
Budget Activity 02: Other Warships						
SSN-688 nuclear attack submarine..	4	2553.8	4	2553.8		
Less advance procurement (PY).....		-506.0		-506.0		
Net..........................		2047.8		2047.8		
SSN-688 advance procurement (CY)..		284.8		284.8		
SSN-21 advance procurement (CY)...		454.3		454.3		
CV SLEP advance procurement (CY)..		83.5		83.5		
CG-47 Aegis cruiser (MYP).........	2	1988.7	3	2790.0		
Less advance procurement (PY).....		-74.9		-74.9		
Net..........................		1913.8		2715.1	1	801.3
CG-47 advance procurement (CY)....		10.5		10.5		
DDG-51 guided missile destroyer (M	3	2522.0	2	1744.3		
Less advance procurement (PY).....		-74.0		-74.0		
Net..........................		2448.0		1670.3	-1	-777.7
DDG-51 advance procurement (CY)...		79.8		79.8		
Total Other Warships..................		7322.5		7346.1		23.6
Budget Activity 03: Amphibious Ships						
LHD-1 advance procurement (CY)....		232.0		232.0		
LPD-4 SLEP......................		23.1		0.0		-23.1
Total Amphibious Ships................		255.1		232.0		-23.1

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 04: Mine Warfare and Patrol Ships						
MSH-1 coastal mine hunter..........	4	196.1		0.0	-4	-196.1
Total Mine Warfare and Patrol Ships....		196.1		0.0		-196.1
Budget Activity 05: Auxiliaries, Craft, Prior-Year Progr						
TAO oiler..........................	2	275.5	2	275.5		
AO (Jumbo)(Conv)...................	1	62.3		0.0	-1	-62.3
TAGOS surtass ship.................	3	149.3	2	99.5		
Less advance procurement (PY)......		-1.2		-1.2		
Net............................		148.1		98.3	-1	-49.8
TAGOS advance procurement (CY)....						
AOE................................	1	612.7	1	612.7		
Oceanographic research ship........	1	33.0	1	33.0		
Service craft......................		39.9		39.9		
Landing craft......................		19.0		19.0		
Strategic sealift..................		27.8		27.8		
Sealift enhancement................		20.7		20.7		
Outfitting.........................		226.1		226.1		
Post delivery......................		167.8		167.8		
Ship contract design...............		69.4		69.4		
Cost growth........................						
TACS crane ship (Conv).............	2	61.1	2	61.1		
Total Auxiliaries, Craft, and Prior-Year Progr		1763.4		1651.3		-112.1
FY 86 funds for MSH authorized and appropriated but no longer required...				-75.5		-75.5
Total Shipbuilding and Conversion, Navy		11046.2		9153.9		-1892.3

SHIPBUILDING AND CONVERSION

OVERVIEW OF FISCAL YEAR 1987 SHIPBUILDING PROGRAM

The shipbuilding request for fiscal year 1987 included 21 new construction vessels and 3 conversions. A total authorization of $11,046.2 million was requested for these 24 ships.

The new construction request included one Trident submarine, four *Los Angeles*-class attack submarines, two *Ticonderoga*-class cruisers, three *Arleigh Burke*-class guided missile destroyers, four coastal mine hunters, three SURTASS ships, two modern fleet oilers, one fast combat support ship, and one oceanographic research vessel.

The conversion request included one fleet oiler and two crane ships.

The committee recommends authorization of $9,153.9 million for 17 ships, an overall reduction of $1,892.3 million. A reduction of $1,509.1 million is achieved by deletion of the Trident submarine. An additional reduction of $775 million is achieved by deleting 1 of the 3 guided missile destroyers in the request and adding 1 CG–47 class cruiser. A reduction of $196.1 million is achieved by deletion of the four coastal mine hunters. A reduction of $62.3 million is reached by deleting the AO (jumbo) conversion, and $49.4 million is reduced by deleting 1 of 3 ocean surveillance ships. A $23.1 million reduction is achieved by eliminating the advance procurement for the service life extension of the *Austin*-class amphibious transport dock.

ITEMS OF SPECIAL INTEREST

Trident ballistic missile submarine (SSBN)

The budget contained a request for $1,362.7 million for procurement of the fourteenth Trident submarine, plus $146.4 million in advance procurement for the sixteenth submarine.

The committee recommends no authorization for the Trident program this year, primarily because of the tight budgetary constraints imposed by the House Budget Resolution. However, there are two additional considerations that support the recommendation: First, the continued serial production of Trident submarines—although highly capable and survivable systems—places heavy pressure on the arms control decision-making and negotiating process. This, in turn, is causing the premature retirement of existing Poseidon SSBNs. Second, the Trident submarine is the only shipbuilding program not presently subject to competitive procurement. Present plans may allow a competition procurement in fiscal year 1988.

Accordingly, the committee recommends deletion of the request for $1,509.1 million for the Trident program.

Aegis ships

The budget contained a request for $1,913.8 million for two CG–47 class guided missile cruisers and $10.5 million for advance procurement. The budget also contains a request for $2,448 million for

3 DDG–51 class guided missile destroyers and $79.8 million for advance procurement.

The committee believes that the continued procurement of these highly capable ships is necessary to modernize the Navy's surface combatant forces. Budget constraints, however, require the committee to restructure the budget request in a way that offers the potential to procure the ships at minimum cost and with the least disruption to the modernization effort.

The committee, therefore, recommends the addition of one cruiser and the deletion of one destroyer from the budget request. In view of the Navy's 1982 decision to engage two shipyards in the construction of cruisers, addition of one cruiser would foster and maintain the existing competitive situation and allow the earlier completion of the Navy's 27-cruiser program. Building two destroyers instead of three would permit the orderly continuation of this important program begun in 1985.

The committee recommends authorization of $2,725.6 million for 3 CG–47 cruisers and $1,750.1 million for 2 DDG–51 destroyers.

Aegis combat system second source

The Aegis combat system is a highly sophisticated component of the Navy's most modern surface combatants. Scheduled for installation on the 27 *Ticonderoga*-class cruisers and 29 *Arleigh Burke*-class destroyers, Aegis continues to prove its effectiveness as an anti-air warfare system in both operational tests and actual at-sea operations.

The Navy has been pursuing a plan to qualify second production sources to compete for contracts for most of the major Aegis hardware components. To this point, the system integration functions have not been subject to competition. Recently the Navy briefed the committee on a revised plan that would feature competition between teams of contractors—each headed by a company performing the overall system integration functions—for entire Aegis combat systems.

The committee supports the Navy's efforts to expand the level of competition in the Aegis program. Information received to date, however, indicates that the initial cost of this plan may indeed be higher than the current Aegis procurement plan. In addition, the Navy has thus far failed to provide an estimate of the total savings associated with their revised plan or an estimate of how long it might take to begin achieving these savings.

In light of these uncertainties, the committee directs the Navy to present information and analysis to the committee demonstrating the cost-effectiveness of the proposal before proceeding with its execution.

Amphibious transport dock (LPD-4 SLEP) advance procurement

The budget request contained $23.1 million for advance procurement of components and materials for extending the service lives of the *Austin*-class amphibious transport dock ships. The program is intended to enable these ships to operate effectively for 15 years beyond their originally planned service lives. The Navy plans to request full funding for the first service life extension in fiscal year 1989.

The committee agrees that extending the service life of these versitile amphibious ships is a prudent and economical alternative to construction of new ships. Nevertheless, the committee finds the advance procurement request to be premature in view of the kinds of equipment to be purchased.

Accordingly, the committee recommends no authorization for advance procurement in fiscal year 1987.

Minesweeper hunter (MSH-1)

The budget request contained $196.1 million for four *Cardinal*-class minesweeper hunters. Designed to act as a complement to the larger, oceangoing mine countermeasures ships (MCM), the MSHs would operate in harbor and coastal waters in mine hunting and mine clearance missions. The ships would be built with a surface effect ship hull using glass-reinforced plastic materials. The first MSH was authorized in fiscal year 1984.

The committee believes that the need for expansion of the Navy's mine countermeasures capability is urgent. Currently reliant on a fleet of 1950s-vintage minesweepers, the ability to locate and neutralize recent generations of Soviet mines is declining rapidly. Increases in the number of ship homeports will exacerbate this already unsatisfactory situation.

Nevertheless, the committee has received testimony that the Navy is experiencing significant problems with the lead ship of the MSH class, involving both engineering and design difficulties. Consequently, the Navy has not awarded a contract for the four ships authorized last year.

The committee recommends no authorization for the MSH program. The committee is seriously concerned that the Navy and industry have thus far been unable to design and build an operational minehunter. Accordingly, the committee strongly urges the Navy to take corrective actions to put the MSH program back on track as quickly as possible

In addition, the committee remains concerned with the apparent lack of emphasis in Navy budgeting on the mine warfare mission, both offensive and defensive. Recent exercise and operational experiences continue to demonstrate the cost-effective nature of offensive mine warfare and the consequences of neglecting defensive mine warfare. Accordingly, the committee strongly suggests that the Secretary of the Navy appoint a mine warfare study and evaluation group from among recognized mine warfare experts in the United States, NATO, Australia, and Sweden. The group should address, at a minimum, the status of the mine warfare threat; the requirements for deep sonar; the optimal size, cost, and schedule tradeoffs for mine warfare ships; the status of developmental mine technology; and the ways in which NATO nations can act together to combat the mine warfare threat.

Fleet oiler (conversion) (AO-177)

The budget contained a request for $62.3 million to enlarge one AO-177 class oiler. The AO-177 class oiler is designed to operating as a shuttle ship between fuel depots and replenishment ships operating as part of battlegroups at sea.

The conversion would increase the existing 120,000-barrel fuel capacity of these ships to 180,000 barrels, the same as the newer TAO-187 class. The Navy is also considering a variant that would enable the ship to carry 160,000 barrels of fuel and 3,000 tons of ammunition for at-sea replenishment.

The committee notes that although the Navy projects an unmet requirement for additional oiler capacity in the future, the AO-177 jumbo program does not appear to be the most cost-effective way to meet the need. For example, adding capacity with additional TAO-187 ships would appear to be a less expensive alternative. In addition, the at-sea replenishment capabilities of the variant configuration would be greatly hindered by the speed limitations of the AO-177.

Accordingly, the committee recommends no authorization for the AO-177 conversion. The committee also recommends that the Navy reexamine its strategy for satisfying the requirements for shuttle oilers.

Ocean surveillance ship (TAGOS)

The budget contained a request for $148.1 million for three TAGOS ocean surveillance ships. The Navy plans to build these ships with traditional monohull construction; future TAGOS ships would be built with using the small waterplane area twin hull (SWATH) hullform.

The committee notes that the experience to date with the TAGOS ships and their surveillance towed array systems has been positive. The committee is also supportive of the Navy's plans to move ahead with SWATH for future ships.

Nevertheless, budget constraints have led the committee to recommend an authorization of $98.3 million for 2 ships, a reduction of $49.8 million.

Strategic sealift tanker capability

The Navy has acknowledged that a shortfall exists relative to militarily useful tankers. The Department of Defense Sealift Tanker Study has determined that by 1990 this shortfall will number about 75 handy-sized tankers. Handy-sized tankers are of 50,000 Dead Weight Tons (DWT) or under.

The Committee recognizes that this tanker shortfall constitutes a serious national security problem. However, current budgetary restraints prevent the committee from authorizing any funds for tanker procurement at this time.

The committee strongly recommends that the Navy make the acquisition of existing handy-sized tankers a high priority if additional funds become available.

Fiscal year 1986 funds for MSH authorized and appropriated but no longer required

Because of the difficulties in producing the minesweeper hunter (MSH) ship noted above, the committee considers no longer necessary the $174.2 million of fiscal year 1986 appropriations that remain after the Gramm-Rudman-Hollings reduction.

Accordingly, the committee recommends that $75.5 million of this amount be applied to the fiscal year 1987 shipbuilding and conversion program.

ITEMS APPROVED AS REQUESTED

Nuclear-powered attack submarine (SSN-688)

The committee recommends approval of the request for $2,332.6 million for the SSN-688 nuclear attack submarine program. Included in the amount requested is $2,047.8 million for four SSN-688 nuclear-powered attack submarines and $284.8 million in advance procurement for 3 submarines in fiscal year 1988 and 3 submarines in fiscal year 1989.

SSN-21 class new design attack submarine advance procurement

The committee recommends approval of the budget request for $454.3 million for advance procurement in support of the lead ship of the SSN-21, or *Seawolf*, class that the Navy plans to request in fiscal year 1989.

The SSN-21 is designed to be effective against the ever-improving Soviet submarine threat well into the next century. It will incorporate quieting, depth, speed, and weapons capacity improvements that will far surpass those of existing submarines.

Aircraft carrier, Service Life Extension Program CV(SLEP) advance procurement

The committee recommends approval of the request for $83.5 million in advance procurement for the service life extension of USS *KITTY HAWK* (CV-63) scheduled for fiscal year 1988.

Amphibious assault ship (LHD-1) advance procurement

The committee recommends approval of the request for $232 million for long lead funding for the second and third ships of the *Wasp*-class amphibious assault ships to be requested in fiscal years 1988 and 1989. This program was approved for multiyear procurement in the fiscal year 1986 Defense Authorization Act.

Fleet oiler (TAO-187)

The committee recommends approval of the request for $275.5 million for two TAO-187 fleet oilers.

Fast combat support ship (AOE)

The committee recommends approval of the request for $612.7 million for one fast combat support ship (AOE). The AOE is designed to operate as an integral part of an aircraft carrier battle group to deliver fuel, ammunition, and provisions to the battle group whle underway.

Oceanographic research ship

The committee recommends approval of the request for $33.0 million for one oceanographic research ship. This ship would be used by the civilian academic research community in support of the Navy's requirements for worldwide oceanographic research.

Service craft

The committee recommends approval of the request for $39.9 million for service craft.

The budget request is for one Torpedo Tester (YTT), three Floating Cranes (YD), two Fuel Barges (YON) and two Oil Storage Barges (YOS).

Landing craft

The committee recommends approval of the request for $19.0 million for landing craft.

The amount requested is for one Special Warfare Craft (Medium).

Strategic sealift ready reserve force (RRF)

The committee recommends approval of the request for $27.8 million for acquisition of ships for the Ready Reserve Force (RRF).

Sealift enhancement

The committee recommends approval of the request for $20.7 million for the sealift enhancement program. This program would provide for the installation of sealift enhancement features on U.S.-flag commercial ships. Such features would provide commercial ships with military features that would be useful during mobilization.

Outfitting material

The committee recommends approval of the request for $226.1 million for post delivery costs.

Outfitting material consists of government-furnished repair parts and other material required to fill a ship's initial allowance of storeroom and operating space items.

Post delivery

The committee recommends approval of the request for $167.8 milion for post delivery costs.

Post delivery costs include design, planning, government-furnished material, and related labor costs required to correct ship deficiencies defined during acceptance and shakedown trials.

Ship contract design.

The committee recommends approval of the request for $69.4 million for ship contract design.

Auxiliary crane ship (TACS) (conversion)

The committee recommends approval of the request for $61.1 million for modification of two TACS auxiliary crane ships.

The TACS primary mission is to offload non-self-sustaining containerships as part of the Navy's strategic sealift function.

OTHER PROCUREMENT, NAVY
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 01: Ships Support Equipment							
Sealift support equipment.........		58.3		70.3		12.0	
All other ships support equipment.		996.1		920.1		-76.0	
Total Ships Support Equipment..........		1054.4		990.4		-64.0	
Budget Activity 02: Communications and Electronics Equipment							
AN/SQR-17A acoustic processor.....	8	7.8	20	16.9	12	9.1	
AN/BLD-1 microwave intercept receiver		0.0	8	16.8	8	16.8	
TRITAC crypto....................		28.4		26.4		-2.0	
All other comm & electronics equip		1995.2		1850.6		-144.6	
Total Communications and Electronics Equipment...........................		2031.4		1910.7		-120.7	
Budget Activity 03: Aviation Support Equipment							
General Purpose Bombs..............		126.9		37.1		-89.8	
BSV-75/B..........................						(-18.1)	3
PMV-139/B Fuze....................						(-54.7)	4
MK83..............................						(-17.0)	3
Walleye...........................		35.3		0.0		-35.3	3
Rockeye...........................	1528	8.9		1.3		-7.6	3
Zuni Rocket.......................		26.3		8.3		-18.0	3
Machine Gun Ammunition............		21.2		20.7		-0.5	3
Practice Bombs....................		30.7		25.5		-5.2	3
Airborne Expendable Countermeasures		40.9		31.3		-9.6	3
Bigeye Chemical Weapon............	585	28.5		10.0		-18.5	
Jatos.............................		2.6		2.0		-0.6	3
Gator.............................	912	42.6		0.0	-912	-42.6	3
All Other Aviation Support Equipment		599.6		599.6			
Total Aviation Support Equipment.......		963.5		735.8		-227.7	
Budget Activity 04: Ordnance Support Equipment							
MK-92 CORT.........................		(0.0)	(6)	(54.0)	(6)	(54.0)	
Total Ordnance Support Equipment.......		1259.8		1169.1		-90.7	

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 05: Civil Engineering Support Equipment							
Passenger Carrying Vehicles........	810	10.9		0.0	-810	-10.9	2
Trucks...........................	2639	38.3		0.0	-2639	-38.3	2
Trailers..........................	326	4.8		0.0	-326	-4.8	2
Fleet Hospitals....................	4	110.5	3	82.9	-1	-27.6	
All Other Civil Engineering Supp Equip		102.8		102.8			
Total Civil Engineering Support Equipment		267.3		185.7		-81.6	
Budget Activity 06: Supply Support Equipment							
Automated Materials Handling Systems		23.8		13.4		-10.4	1
All Other Supply Support Equipment.		58.4		58.4			
Total Supply Support Equipment.........		82.2		71.8		-10.4	
Budget Activity 07: Personnel and Command Support Equipment							
Training Support Equip.............		12.6		7.5		-5.1	5
Command Support Equipment..........		14.5		10.6		-3.9	5
Intelligence Support Equipment.....		52.8		50.2		-2.6	2
Naval Reserve Support Equipment....		5.0		0.0		-5.0	2
Oceanographic Support Equipment....		25.6		20.2		-5.4	5
Computer Acquisition Program.......		221.3		169.1		-52.2	1
All Other Personnel & Comm Supp Equip		224.5		224.5			
Total Personnel and Command Support Equipment...........................		556.3		482.1		-74.2	
Budget Activity 08: Spares and Repair Parts							
Spares and Repair Parts............		323.9		302.4		-21.5	
Total Spares and Repair Parts..........		323.9		302.4		-21.5	
Total Other Procurement, Navy..........		6538.8		5848.0		-690.8	

1 Maintain FY86 level
2 Affordability
3 Execution status
4 Contract savings
5 Reduce increase
6 Defer new start
7 Classified
8 Sustainability
9 No requirement

OTHER PROCUREMENT, NAVY

OVERVIEW

The Administration's request for fiscal year 1987 contained $6,538.8 million for Other Procurement, Navy. The committee recommends authorization of $5,848.0 million, a reduction of $690.8 million from the budget request.

ITEMS OF SPECIAL INTEREST

Ship support equipment

The budget request contained $1,054.4 million for ship support equipment. This equipment is procured for direct support or installation on active fleet ships as part of a planned maintenance replacement program or as part of a ship modernization program.

The committee recommends authorization of $990.4 million, a reduction of $64 million from the request. Although the reduction is largely driven by budget constraints, it is not so large as to jeopardize the readiness-related aspects of this equipment.

Sealift support equipment

The budget request included $58.3 million for sealift support equipment, including $14.1 million for seasheds. The request contemplates the purchase of only about 100 seasheds, not enough to support continued competition and an inadequate contribution to the shortfall of about 1,100 seasheds in the inventory. The request varies considerably from that proposed by the Navy last year.

The committee remains very supportive of the use of seasheds and adapters and their continued procurement by competitive, dual-source means under a stable production plan. Seasheds provide modern container ships with the capability to transport heavy or outsize military cargo.

Accordingly, the committee recommends authorization of $70.3 million for sealift support equipment, an addition of $12 million for the purchase of seasheds. The committee understands that the Navy will adjust the sealift support equipment program to purchase 350 seasheds in fiscal year 1987.

Communications and electronics equipment

The budget request contained $2,031.4 million for communications and electronics equipment, which includes the procurement of shipboard and shore communications and electronic equipment for the active fleet and training activities.

The committee recommends authorization of $1,910.7 million, a reduction of $120.7 million from the request.

AN/BLD–1 microwave intercept receiver

The committee recommends the addition of $16.8 million for the purchase of eight AN/BLD–1 microwave intercept receivers and supporting equipment.

The AN/BLD–1 is used on the Navy's *Los Angeles*-class attack submarines for detection, identification and accurate bearing measurement to a variety of land-based, sea-based and air-based radars.

It is useful in targeting for submarine-launched anti-ship missiles and in intelligence-related activities. The Navy has been buying these units for installation on its new attack submarines since 1983.

The committee's action would enable these units to be produced more efficiently and at lower unit cost, as well as speed delivery to fleet submarines.

AN/SQR-17A acoustic processor

The budget request contained $7.8 million for 8 AN/SQR-17A acoustic processors. The AN/SQR-17A is an improved version of an existing unit that is used on Navy ships equipped with the LAMPS MK-1 helicopter to process acoustic information from a variety of sonobuoys.

The committee recommends authorization of $16.9 million for 20 AN/SQR-17A processors, an increase of $9.1 million. The increased authorization would enable production at more efficient rates and delivery to the fleet sooner.

Aviation support equipment

The budget request contained $963.5 million to provide aviation support equipment for the Navy. Aviation support equipment include sonobuoys, air launched ordnance, and aircraft support equipment.

The committee recommends authorization of $735.8 million, a reduction of $227.7 million from the request.

Ordnance support equipment

The budget request contained $1,259.8 million for ordnance support equipment. This equipment includes ship gun and missile systems, fleet ballistic missile and antisubmarine warfare support equipment, and expendable ordnance of various types.

The committee recommends authorization of $1,169.1 million, a reduction of $90.7 million, primarily for budgetary reasons. Of the amount authorized, $54 million is available only for the procurement of 6 coherent receiver transmitter (CORT) production kits.

Civil engineering support equipment

The budget request contained authorization of $267.3 million for civil engineering support equipment in fiscal year 1987. Civil engineering support equipment includes passenger-carrying vehicles, trucks, trailers, construction and maintenance equipment, amphibious equipment, combat construction support equipment, fleet moorings, pollution control equipment, mobile utility support equipment and fleet hospitals.

The committee recommends authorization of $185.7 million, a reduction of $81.6 million from the request.

Fleet hospitals

Although supportive of the Navy's efforts to improve medical readiness, the committee is concerned that the Navy is procuring deployable hospitals (DEPMEDS) faster than it can acquire sites to preposition them.

The committee notes that the Navy plans to preposition three of the four DEPMEDS requested in fiscal year 1987 in Europe and that two of the three destined for Europe are to be placed in countries with which the United States currently does not have host nation support agreements. In other words, before these hospitals can be prepositioned agreements must be established, negotiations must be held to request hospital sites and site development must be completed.

The committee recognizes that the Navy has developed interim storage plans for these hospitals until host nation support agreements are negotiated; however, the utility of deployable hospitals is greatly reduced if they are not in-theater at the outbreak of hostilities.

Given current budgetary pressures and the lack of host nation sites, the committee recommends deferring the Navy's request for one deployable hospital. The committee emphasizes that this action should not be interpreted as a lack of support for the DEPMEDS program but, rather, as a management decision designed to ensure that the Navy is better able to preposition its hospitals as it acquires them.

Supply support equipment

The budget request contained authorization of $82.2 million for supply support equipment for the Navy. Supply support equipment includes materials handling equipment and systems, support equipment and classified programs.

The committee recommends authorization of $71.8 million, a reduction of $10.4 million from the request.

Personnel and command support equipment

The budget request contained authorization of $556.3 million for personnel and command support equipment for fiscal year 1987.

Personnel and command support equipment includes (1) surface training devices that will provide maintenance, operator, team, and refresher trainer for new combat systems/capabilities being introduced into the fleet; training support equipment consisting of minor training aids and devices to support the education and training programs to supply the fleet with effectively trained personnel; and training device modifications to provide cost-effective enhancements to update the existing inventory of training devices; (2) command support equipment which is centrally managed by activities not under the purview of the Naval Material Command, including intelligence support equipment, medical support equipment and physical security equipment; (3) the Computer acquisition Program (CAP) which directly supports such day-to-day efforts as fleet supply and logistics, maintenance, financial, personnel management, and health management. These tasks are currently either performed manually or in part by using old, obsolete, and unreliable data processing support; and (4) the productivity investment fund used to purchase, install and demonstrate improved general purpose equipment, tools and procedures. The objective of productivity investments is to exchange labor intensive and costly operations with investments in modern equipment, methods and labor saving devices.

The committee recommends authorization of $482.1 million, a reduction of $74.2 million from the request.

Spares and repair parts

The budget request contained $323.9 million for spares and repair parts. These parts include both initial and replenishment spares for equipment purchased through the Other Procurement, Navy account.

In light of reductions elsewhere in the Other Procurement, Navy account, the committee recommends authorization of $302.4 million, a reduction of $21.5 million.

PROCUREMENT, MARINE CORPS

OVERVIEW

The budget request contained $1,565.0 million for Procurement, Marine Corps, for fiscal year 1986. The committee recommends authorization of $1,497.1 million, a reduction of $67.9 million from the request. Procurement, Marine Corps, includes ammunition, weapons and combat vehicles, guided missiles and equipment, communications and electronic equipment, support vehicles, engineer and other equipment, and spares and repair parts.

PROCUREMENT, MARINE CORPS
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 01: Ammunition							
Mortar Ammo, All Types.............		216.8		193.4		-23.4	2
All Other Ammunition..............		391.5		391.5			
Total Ammunition......................		608.3		584.9		-23.4	
Budget Activity 02: Weapons and Combat Vehicles							
Tracked combat vehicles							
AAV7A1 PIP.........................	100	14.3	100	14.3			
Modification kits (TRKD VEH)......		1.0		1.0			
Bridge, armored veh launched......	8	4.5	8	4.5			
Artillery and other weapons							
Pos azimuth determ sys (PADS).....	17	5.6	17	5.6			
M198 155mm howitzer...............	94	45.0	94	45.0			
Items less than $900K (ATL-OTH)...		1.3		1.3			
Weapons							
9mm handgun........................	22181	5.4	22181	4.5		-0.9	4
Machine gun, auto saw 5.56mm......	1000	3.4	1000	2.7		-0.7	4
M-16 5.56mm rifle.................	17725	7.9	17725	7.9			
MK-19 40mm machine gun............	189	1.9	189	1.0		-0.9	4
Mortar, med. extended range.......	350	7.5	250	5.3	-100	-2.2	2
Total Weapons and Combat Vehicles......		97.8		93.1		-4.7	
Budget Activity 03: Guided Missiles and Equipment							
Guided missiles							
Hawk..............................	430	115.4	430	115.4			
Hawk mod..........................		24.3		24.3			
Stinger...........................	1442	69.3	1442	69.3			
TOW...............................	3400	33.5	3400	32.3		-1.2	4
Other support							
Modification kits................		0.7		0.7			
Total Guided Missiles and Equipment....		243.2		242.0		-1.2	

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 04: Communications and Electronics Equipment................		278.9		278.9			
Budget Activity 05: Support Vehicles							
Commercial Passenger Vehicles......		2.3		0.0		-2.3	2
Commercial Cargo Vehicles..........	1	3.8		0.0	-1	-3.8	2
Logistics Vehicle System...........	1210	104.0	800	71.4	-410	-32.6	5
All Other Support Vehicles.........		36.0		36.0			
Total Support Vehicles.................		146.1		107.4		-38.7	
Budget Activity 06: Engineer and Other Equipment..........................		166.1		166.1			
Budget Activity 07: Spares and Repair Parts		24.7		24.7			
Total Spares and Repair Parts..........		24.7		24.7			
Procurement, Marine Corps..............		1565.1		1497.1		-68.0	
Rounding adjustment....................		-0.1				0.1	
Total Procurement, Marine Corps........		1565.0		1497.1		-67.9	

1 Maintain FY86 level
2 Affordability
3 Execution status
4 Contract savings
5 Reduce increase
6 Defer new start
7 Classified
8 Sustainability
9 No requirement

AIRCRAFT PROCUREMENT, AIR FORCE
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 01: Combat aircraft						
Tactical forces						
Air defense competition...........	20	296.3	20	296.3		
Air defense competition advance procurement (CY)................	60	114.6	60	114.6		
F-15 (Eagle)......................	48	1877.0	36	1595.4		
Less advance procurement (PY).....		-201.6		-201.6		
Net..............................		1675.4		1393.8	-12	-281.6
F-15 advance procurement (CY).....		218.9		152.2		-66.7
F-16 (Falcon).....................	216	3326.8	180	2827.2		
Less advance procurement (PY).....		-444.9		-444.9		
Net..............................		2881.9		2382.3	-36	-499.6
F-16 advance procurement (CY).....		612.0		485.9		-126.1
Other combat aircraft						
KC-10A (Extender).................	8	500.3	8	474.0		
Less advance procurement (PY).....		-395.9		-395.9		
Net..............................		104.4		78.1		-26.3
AC-130H gunship advance procurement (CY)................		18.2		0.0		-18.2
MC-130H (Combat Talon)............	5	241.4	2	118.2		
Less advance procurement (PY).....		-11.7		-11.7		
Net..............................		229.7		106.5	-3	-123.2
MC-130H advance procurement (CY)...		15.1		7.3		-7.8
Total Combat Aircraft.................		6166.5		5017.0		-1149.5

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 02: Airlift Aircraft						
Strategic airlift						
C-5B (Galaxy)......................	21	2294.9	21	2265.9		
Less advance procurement (PY).....		-357.5		-357.5		
Net..........................		1937.4		1908.4		-29.0
Tactical airlift						
C-17............................		182.3		145.3		-37.0
C-17 advance procurement (CY).....		35.0		35.0		
Other airlift						
VC-X Air Force One replacement....		34.5		0.0		-34.5
Total Airlift Aircraft................		2189.2		2088.7		-100.5
Budget Activity 03: Trainer Aircraft						
UPT Trainers						
T-46A (NGT)......................	0	0.0	12	124.0	12	124.0
T-46A advance procurement (CY)....		0.0	(44)	27.0	(44)	27.0
Total Trainer Aircraft................		0.0		151.0		151.0
Budget Activity 04: Other Aircraft						
Mission support aircraft						
Civil air patrol aircraft.........	38	1.6	38	1.6		
Other aircraft						
TR-1/U-2..........................	3	103.1	0	53.7		
Less advance procurement (PY).....		-8.6		-8.6		
Net..........................		94.5		45.1	-3	-49.4
Counter-Infiltration Aircraft.....		0.0	2	8.4	2	8.4
Total Other Aircraft.................		96.1		55.1		-41.0

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 05: Modification of Inservice Aircraft						
Strategic aircraft						
B-52		413.4		413.4		
FB-111		3.3		3.3		
B-1B		96.4		96.4		
Tactical aircraft						
A-7		14.1		14.1		
A-10		52.6		52.6		
F/RF-4		119.4		119.4		
F-5		5.5		5.5		
F-15		269.0		182.0		-87.0
F-16		87.7		87.7		
F-111		273.2		271.9		-1.3
TR-1A		9.3		9.3		
Airlift aircraft						
C-5		46.8		46.8		
C-9		0.2		0.2		
C-137		0.2		0.2		
C-141 mods		10.9		10.9		
Trainer aircraft						
T-38		39.5		39.5		
T-43		0.4		0.4		
Other aircraft						
KC-10A		6.7		6.7		
C-130 mods		212.9		186.5		-26.4
C-135		1077.4		1048.2		-29.2
E-3		33.5		33.5		
E-4		16.0		16.0		
H-1		11.2		11.2		
H-3 aircraft system		1.5		21.5		20.0
HH-53		55.3		268.3		213.0
Other aircraft		153.3		153.3		
Other modifications						
Classified projects		91.6		81.6		-10.0
Ground Proximity Warning System		0.0		7.6		7.6
Total Modification of Inservice Aircraft		3101.3		3188.0		86.7

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 06: Spares and Repair Parts						
Initial spares........................		927.8		781.0		-146.8
F-15E..........................	48	133.0	36	99.7	-12	-33.3
F-16..........................	216	348.7	180	290.6	-36	-58.1
MC-130H..........................	5	6.7	2	2.7	-3	-4.0
T-46A..........................		0.0		8.4		8.4
TR-1 spares..........................		5.8		3.8		-2.0
Modification spares...............		203.1		176.0		-27.1
Other Production spares..............						
PLSS..........................		28.9		0.0		-28.9
USM-464 Flight Line test set.....		1.8		0.0		-1.8
Replenishment spares.................		2550.1		2549.2		-0.9
ALE-45 countermeasure dispenser..		0.9		0.0		-0.9
Total Aircraft Spares and Repair Parts.		3477.9		3330.2		-147.7
Budget Activity 07: Aircraft Support Equipment and Facilities						
Common age						
Common ground equipment............		321.4		262.7		-58.7
Noise Suppressors, B-52 and KC-135.................	11	23.5	0	0.0	-11	-23.5
Noise Suppressors, tactical aircraft................	13	20.3	0	0.0	-13	-20.3
Hush House, T-38...................	6	11.5	0	0.0	-6	-11.5
AN/ARM 135 Tacan Test Set..........	103	6.9	56	3.5	-47	-3.4
Industrial responsiveness............		38.4		38.4		
War consumables......................		51.1		51.1		
Other production charges						
Other production charges...........		3685.5		2987.8		-697.7
ECM Pods--ALQ 131 pod............		120.3		110.3		-10.0
ECM Pods--ALQ 184 pod............		56.0		0.0		-56.0
Classified programs..............		2476.2		1913.5		-562.7
Classified programs............		[ ]		[ ]		-538.6
Classified programs............		[ ]		[ ]		-11.0
Classified programs............		[ ]		[ ]		-13.1
PLSS..........................		52.8		0.0		-52.8
NAVSTAR GPS user avionics.......		42.4		26.2		-16.2
Total Aircraft Support Equipment and Facilities........................		4096.4		3340.0		-756.4

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Strategic Bomber Aircraft Contingency Fund................................		(0.0)		(200.0)		(200.0)
Less Prior Year Funds						
F-16 engine, FY86 & FY85 years...				-70.6		-70.6
C-131. FY 86 and prior years.....				-12.0		-12.0
F-15 engine, FY 86...............				-15.3		-15.3
KC-10, FY 85 and FY 86...........				-43.0		-43.0
C-5B, FY 85 and FY 86............				-73.1		-73.1
PLSS, FY 85 and FY 86............				-115.7		-115.7
USM-464, FY 85 and FY 86.........				-93.5		-93.5
Total, Less Prior Year Funds...........		0.0		-423.2		-423.2
Total Aircraft Procurement, Air Force..		19127.4		16746.8		-2380.6

AIRCRAFT PROCUREMENT, AIR FORCE

OVERVIEW

Strategic bomber force

In order to provide maximum flexibility with regard to the strategic bomber force, the committee has included sections 107 and 108. The two sections are designed to reduce the impact of any unexpected problem with the advanced technology bomber (ATB), encourage competition in the ATB program, and protect the option of procurement of additional B1-B aircraft.

Section 107 would establish a $200.0 million strategic bomber contingency fund. Unobligated prior year funds, subject to the enactment of appropriations legislation, would be utilized. Under the terms of section 107, the Secretary of Defense would be required to obligate $100.0 million for B1-B aircraft long lead production components and subsystems by October 31, 1986 or 30 days after the enactment of the fiscal year 1987 Defense Appropriations Act, whichever is later.

By February 1, 1987, the Secretary of Defense is directed to submit to the Committees on Armed Services of the Senate and House of Representatives a report concerning the progress of the advanced technology bomber (ATB) program.

Not later than March 1, 1987, the Secretary of Defense must notify the two committees of the plans for disposition of the remaining $100.0 million in the contingency fund. Three alternatives are available to the Secretary:

(1) establishing competitive alternative sources for the ATB;
(2) procurement of additional B1-B aircraft components; or
(3) submission of a recission.

Section 108 complements section 107. It would establish a framework for dual sourcing for the ATB system and major subsystems. Obligation of fiscal year 1987 funds would be restricted to the level appropriated in fiscal year 1986 unless the Secretary of Defense submits acquisition plans to the Congress providing for dual sourcing.

A waiver to this provision would be permitted if the Secretary of Defense certifies that such action would increase the total system cost, delay the program or impose an adverse effect on national security.

Section 108 would require the Secretary of Defense to conduct a detailed financial analysis of the cost of procurement of 132 ATB aircraft. It would provide the basis for the President to certify the cost of the ATB program in fiscal year 1988. The analysis would be reviewed by the General Accounting Office and would provide the necessary information base for imposing a cost cap on the program at the appropriate time.

ITEMS OF SPECIAL INTEREST

F-15E fighter aircraft (Eagle)

The budget request contained $1,675.4 million to procure 48 aircraft in fiscal year 1987 and $218.9 million for advance procurement of 48 aircraft in fiscal year 1988. The budget request also contained $133.0 million for initial spares.

The committee recommends authorization of $1,595.4 million to procure 36 aircraft in fiscal year 1987, $152.2 million for advance procurement in fiscal year 1988 and $97.7 million for initial spares—an overall reduction of $381.6 million and 12 aircraft from the amount requested.

Section 127(a) would restrict obligation of the funds that are authorized for procurement of the F-15E aircraft until the Secretary of the Air Force decides on whether to procure either the F-15E or the Advanced Tactical Fighter.

F-16 fighter aircraft (Falcon)

The budget request contained $2,881.9 million to procure 216 aircraft in fiscal year 1987 and $612.0 million to support advance procurement of 216 aircraft in fiscal year 1988. The budget request also contained $348.7 million for initial spares.

The F-16 is a single engine, single place multi-mission fighter designed for close-in air-to-air combat. The F-16 armament consists of 20mm cannon, AIM-9P/L heat seeking air-to-air missiles, and approximately 11,000 pounds of conventional and guided air-to-surface ordnance.

The committee recommends authorization of $2,382.3 million to procure 180 aircraft in fiscal year 1987, $485.9 million for advance procurement of 180 aircraft in fiscal year 1988, and $290.6 million for initial spares—an overall reduction of $683.8 million.

The Department of Defense and the Department of the Air Force have not agreed on the configuration of the F-16 and the number of aircraft that would include a different type of fire control radar. The committee believes that these issues must be resolved before funds are obligated for the program.

As a result, section 127(f) would restrict obligation of funds for the procurement of the F-16 until:

(1) the Joint Requirements and Management Board is convened to establish an acquisition plan for the F-16 aircraft;

(2) the plan is submitted to the Committee on Armed Services of the Senate and House of Representatives; and

(3) 30 calender days expire after submission of the plan to the committees.

KC-10A advanced tanker cargo aircraft (Extender)

The budget request contained $104.4 million for procurement of 8 KC-10A advanced tanker cargo aircraft.

The committee recommends authorizations of $78.1 million.

AC-130H gunship

The budget request contained $18.2 million for advance procurement of the AC-130 gunship.

The committee does not recommend authorization of the program in fiscal year 1987. This action defers the new start because of fiscal constraints and remaining service life in the current fleet of aircraft.

MC-130H tactical aircraft (Combat Talon)

The budget request contained $229.7 million for procurement of 5 aircraft in fiscal year 1987 and $15.1 million to support advance procurement in fiscal year 1988. The budget request also contained $6.7 million for initial spares.

This aircraft is a specially modified C-130 medium size tactical transport. The special modifications include terrain following systems and in-flight refueling capability.

The committee recommends authorization of $106.5 million for procurement of 2 aircraft in fiscal year 1987, $7.3 million to support advance procurement in fiscal year 1988, and $2.7 million in initial spares. This action will result in an overall reduction of $135.0 million.

C-5B airlift aircraft (Galaxy)

The budget request contained $1,937.4 million for procurement of 21 C-5B airlift aircraft. The fiscal year 1987 request represents the fifth year of procurement toward a total of 50 airlift aircraft under a firm fixed price contract. The request included $16.4 million for initial spares.

The committee notes that the C-5B program has remained within the projected cost and schedule presented to Congress when the program was initially approved. Moreover, reduced inflation estimates and engineering change orders have resulted in reduced program costs.

The committee recommends authorization of $1,908.4 million, a reduction of $29.0 from the requested amount.

C-17

The budget request contained $182.3 million for procurement of the C-17 tactical airlift aircraft and $35.0 million to support advance procurement in fiscal year 1988. The committee recommends authorization of $145.3 million in fiscal year 1987, and $35.0 million for advance procurement in fiscal year 1988, a reduction of $37.0 million.

Section 127(c) would restrict obligation of funds authorized for the procurement of the C-17 aircraft until 60 legislative days have expired from the time the Committees on Armed Services of the

Senate and House of Representatives receive the report of the General Accounting Office on the C–17 aircraft program.

Section 127(c) would further provide that in the event Congress decides that the C–17 aircraft is not to be procured, the funds may be used for the procurement of additional Air Force airlift aircraft, including the C5B aircraft.

Air Force One replacement

The budget request contained authorization of $34.5 million for the Air Force One replacement aircraft program. The committee recommends no authorization.

The committee's recommendation is based on the action taken in the fiscal year 1986 Continuing Resolution (Public Law 99–190) that appropriated $280.0 million for the program and on subsequent authorization legislation. Recent Air Force action to award a contract for the replacement aircraft indicates that the amount provided in fiscal year 1986 is sufficient to execute the contract.

T-46A trainer aircraft

The budget did not contain any request for funds for the T–46A trainer aircraft. The committee recommended authorization of $124.0 million for procurement of 12 T–46A trainer aircraft and $27.0 million for advanced procurement.

Section 127(e) would establish cost caps for the program. Specifically, the total production program cost of the T–46A excluding initial spares funding, could not exced $3.1 million in fiscal year 1986 dollars for 650 production aircraft. Further, the average weapon system unit cost for the total program could not exceed $4.8 million in fiscal year 1986 dollars. The average weapon system unit cost includes all production costs, excluding initial spares. Finally, if either limitation is exceeded in any year, the Secretary of the Air Force should hold a competition for the following years for the procurement for the T–46A trainer aircraft.

TR–1/U–2 standoff surveillance aircraft

The budget request contained $94.5 million for procurement of 3 TR–1/U–2 aircraft and associated surveillance sensors to support a second phase deployment to Europe and U–2 aircraft requirements. No advance procurement was requested in fiscal year 1988.

The TR–1/U–2 is a single-engine, single crew aircraft designed for high altitude standoff surveillance missions. This aircraft provides a platform surveillance system available to theater and tactical commanders and a reconnassance aircraft used in direct support of national command authorities.

The committee recommends authorization of $45.1 million in fiscal year 1987 for the program and a $2.0 million reduction for initial spares. The total reduction for the program is $51.4 million.

Special operations forces aircraft

In addition to approving the requested authorization for modifications to the HH–53 and HH–3 helicopters, the committee is recommending authorization of $233.0 million for the following purposes:

	Millions
1. Pave Low III Enhanced Modification of Air Force HH-53H helicopters (24 aircraft) and upgrade to enhance configuration of eight existing Pave Low III's	$150.0
2. Retrofit of blade and pylon folding mechanism for shipboard compatability and concealment purposes (HH-53 helicopters)	63.0
3. Tactical upgrade of forward-deployed rescue HH-3 helicopters to provide guns, defensive electronics and navigation improvements (47 aircraft)	20.0
Total	233.0

Also, the committee recommends authorization of $8.4 million for the procurement of 2 multi-engine light jet aircraft with F-16 radar for evaluation as counter-infiltration aircraft.

Ground proximity warning system

Based on the committee's direction concerning the ground proximity warning system discussed earlier in this report, the committee recommends authorization of $7.6 million funding to buy initial retrofit kits for high risk transport aircraft such as C-130, C-21 and C-12.

Modification of Air Force aircraft

The budget request contained $3,101.3 million for various Air Force aircraft modifications for fiscal year 1987. The committee recommends an authorization of $3,188.0 million, a net increase of $86.7 million. The recommendation includes approval of all programs in the request with the exception of those programs listed in the Air Force aircraft table.

Air Force aircraft spares and repair parts

The budget request contained $3,477.9 million for Air Force aircraft spares and repair parts for fiscal year 1987. The committee recommends authorization of $3,330.2 million, a reduction of $147.7 million from the request. The recommendation includes approval of all programs in the request with the exception of those programs listed in the Air Force aircraft table.

Air Force aircraft support equipment and facilities

The budget request contained $4,096.4 million for aircraft support equipment and facilities in fiscal year 1987.

This account funds avionics support and communications equipment including common ground equipment, simulators and training devices.

The committee recommends an authorization of $3,340.0 million, a reduction of $756.4 million from the request. The recommendation includes approval of all programs in the request except those listed in the Air Force aircraft table.

Section 127(g) would restrict the obligation of any funds made available to the Department of the Air Force for the procurement of the A/F 32T-9 Noise Suppressor System unless competitive procurement is utilized.

Other production charges

The budget request contained $3,685.5 million for other production charges. The committee recommends authorization of $2,987.8 million, a reduction of $697.7 million.

Precision Location Strike System (PLSS)

The budget request contained $52.8 million for procurement associated with the Precision Location Strike System (PLSS). The committee recommends no authorization because the program has been terminated.

Flight inspection aircraft

For three consecutive years, the Congress has expressed its concerns regarding the need to modernize the Air Force flight inspection fleet. The Congress views this mission as vital to the safety and operational effectiveness of tactical and airlift deployments in contingency/wartime situations anywhere in the world. Further, the Congress endorsed the position of the Air Force two years ago when funds were approved for the first replacement aircraft which was to provide the range and crew/payload capacity to perform world-wide flight inspection with a minimum of enroute delays or island hopping.

The committee learned last year that the Air Force had downgraded the performance characteristics for the new aircraft resulting in a restricted deployment capability. The record of the Congress on this issue is clear and consistent. Accordingly, the committee has included section 112 that directs the Secretary of the Air Force to obligate within 180 days of the enactment of the fiscal year 1987 defense authorization act previously authorized and appropriated funds for the procurement of a new flight inspection aircraft.

Such aircraft shall be procured competitively and shall meet the performance specifications established in paragraph 2C(2) of the Department of the Air Force Program Management Directive for Flight Inspection Aircraft dated July 11, 1984.

Prior year adjustments

The committee reduction to the amount of authorization for Air Force aircraft procurement includes a $423.2 million prior year adjustment to the various Air Force aircraft accounts listed in the Air Force aircraft tables.

MISSILES, AIR FORCE
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 01: Ballistic Missiles						
Strategic						
Peacekeeper (M-X)..................	21	1418.1	12	1114.7	-9	-303.4
Missile replacement equip-ballistic						
Missile replacement eq-ballistic..		69.7		69.7		
Total Ballistic Missiles................		1487.8		1184.4		-303.4
Budget Activity 02: Other Missiles						
Strategic						
Advanced cruise missile............	[	]	[	]		
Less advance procurement (PY).....	[	]	[	]		
Net............................	[	]	[	]		-468.0
Advance procurement (CY)..........	[	]	[	]		-93.8
AGM-86B (ALCM).....................		12.4		12.4		
Tactical						
AIM-7F/M Sparrow....................	379	64.9	379	61.7		-3.2
AIM-9L/M Sidewinder................	1710	95.6	1710	95.6		
AGM-130 Powered GBU-15.............	51	26.6	0	0.0	-51	-26.6
AGM-65D Maverick...................	4700	581.0	585	75.7	-4115	-505.3
AGM-88A HARM.......................	2130	493.4	1450	362.5	-680	-130.9
Rapier.............................		6.4		6.4		
AMRAAM	260	716.0	135	447.0		
Less advance procurement (PY).....		-59.4		-59.4		
Net............................		656.6		387.6	-125	-269.0
AMRAAM advance procurement (CY)...	(833)	89.9	(360)	38.9	(-473)	-51.0
BGM-109 (GLCM).....................	76	138.0	76	125.1		
Less advance procurement (PY).....		-9.4		-9.4		
Net............................		128.6		115.7		-12.9
GLCM advance procurement (CY).....		4.6		4.6		
Stinger............................		1.7		1.7		
Target drones......................		19.6		19.6		
Industrial facilities.............		14.5		14.5		
Missile replacement equipment-other		17.2		15.8		-1.4
Total Other Missiles...................		3054.6		1492.5		-1562.1

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 03: Modification of Missiles						
Class IV						
Classified programs...............		4.4		4.4		
LGM-30F/G Minuteman II/III........		105.6		100.4		-5.2
AGM-88A HARM......................		2.9		2.9		
Air launched cruise missile.......		16.6		16.6		
Ground launched cruise missile....		15.3		15.3		
Modifications under $2.0M.........		1.9		1.9		
Total Modification of Inservice Missiles		146.7		141.5		-5.2
Budget Activity 04: Missile Spares and Repair Parts						
Initial spares......................		147.8		147.8		
Modification of initial spares......		8.9		8.9		
Replenishment spares................		177.5		109.4		-68.1
Classified programs...............		[ ]		[ ]		-36.3
Maverick..........................		5.6		3.7		-1.9
MX................................		55.4		31.6		-23.8
AMRAAM............................		10.3		5.0		-5.3
AGM-130 Powered GBU-15............		0.8		0.0		-0.8
Total Missile Spares and Repair Parts..		334.2		266.1		-68.1
Budget Activity 05: Other Support						
Space Programs						
Spaceborne equipment (COMSEC).....		61.9		61.9		
NAVSTAR global positioning system.	8	310.4	8	306.7		
Less advance procurement (PY).....		-180.7		-180.7		
Net............................		129.7		126.0		-3.7
Space shuttle operations..........		74.7		74.7		
Less advance procurement (PY).....		-15.6		-15.6		
Net............................		59.1		59.1		

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Other support'(continued)						
Space Programs (continued)						
Defense meteorological sat system.		19.4		19.4		
Defense support program (MYP).......		108.5		108.5		
Advance procurement (CY)..........		250.0		134.4		-115.6
Defense satellite comm system.....	2	169.0		161.8		
Less advance procurement (PY).....		-51.9		-51.9		
Net............................		117.1	2	109.9		-7.2
Advance procurement (CY)..........		5.5		5.5		
Space boosters....................	1	172.9	1	222.9		
Less advance procurement (PY).....		-120.2		-120.2		
Net............................		52.7		102.7		50.0
Advance procurement (CY)..........		230.0		161.0		-69.0
Space defense system advance procurement (CY)................		28.5		0.0		-28.5
Special Programs						
Other programs....................		45.3		45.3		
Forest green......................		2.1		2.1		0.0
IONDS.............................		24.9		24.9		
Special programs..................		1852.0		1529.8		-322.2
Special update programs...........		972.6		557.8		-414.8
Total Other Support....................		3959.3		3048.3		-911.0
Less prior year funds						
Space defense system, FY85........				-61.8		-61.8
Rounding adjustment....................		-0.2				0.2
Total Missiles, Air Force..............		8982.4		6071.0		-2911.4

MISSILES, AIR FORCE

ITEMS OF SPECIAL INTEREST

MX advanced intercontinental ballistic missile system

The budget request contained $1,418.1 million for procurement of 21 MX missiles, including $55.4 million for initial spares.

The MX is an advanced intercontinental ballistic missile (ICBM) capable of carrying ten independently targetable reentry vehicles (MIRV). The missile will have advanced guidance and propulsion systems and better accuracy than the existing Minuteman III missile.

The mission of the MX is to support the Single Integrated Operational Plan (SIOP), respond to the current and projected Soviet target bases, and provide deterrence against a broad range of potential threats.

The committee recommends authorization of $1,114.7 million for the procurement of 12 MX missiles, including $31.6 million for initial spares. The committee recommendation represents a reduction of 9 missiles and $337.2 million from the request.

Advanced cruise missile

The budget request contained a classified amount for procurement of the advanced cruise missile. The committee recommends authorization of a classified amount, details of which are contained in the classified annex to this report. The amount represents a reduction of $468.0 million and will support the program at the fiscal year 1986 level. The advance procurement budget request is reduced by $93.8 million.

The advanced cruise missile program is a follow-on to the AGM-86B (ALCM-B) air launched cruise missile program and is based on a decision by the Congress to terminate ALCM-B procurement after fiscal year 1984 and to proceed with development of a second generation ALCM, the advanced cruise missile. The objective of the advanced cruise missile is to improve survivability, range, and accuracy in response to the future Soviet air defense threat.

Section 127(b) would restrict obligation of funds authorized for the procurement of the Advanced Cruise Missile until the Secretary of the Air Force decides on whether to procure either the Advanced Cruise Missile or the SRAM II weapon system.

AIM-7F/M Sparrow

The budget request contained $64.9 million for procurement of 379 Sparrow missiles.

The Sparrow missile is a rocket propelled air-to-air missile with all weather capability. It has a radar homing guidance system.

The committee recommends authorization of $61.7 million, a reduction of $3.2 million from the request.

AGM-130 powered GBU-15

The budget request contained $26.6 million to procure 51 product improved modular guided glide bombs.

The AGM-130 powered GBU-15 is a 2,000 pound glide bomb that will have greater standoff capability than the existing GBU-15 weapon. It is designed to destroy high-value point targets and runways.

The committee recommends no authorization in fiscal year 1987 because of program execution delays. In addition, the research and development component has been terminated.

AGM-65D Maverick

The budget request contained $581.0 million for procurement of 4700 missiles and $5.6 million for spares.

The AGM-65D Maverick or Imaging Infrared (IIR) Maverick is an air-to-surface, imaging-infrared-guided missile with a penetrating blast and fragmentation warhead. It has been designed as the Air Force's primary anti-armor missile.

The committee recommends authorization of $75.7 million of the $581.0 million requested for missiles and $3.7 million, for spares. This represents a reduction of 4115 missiles and $505.3 million. The committee directs the Secretary of the Air Force and the Secretary of the Navy to allocate the $100.0 million authorization for the Maverick infrared missile in such a manner as to protect the dual production base for the program.

AGM-88A missile (HARM).—The budget request contained $493.4 million to procure 2130 HARM missiles.

HARM, an air-to-surface, high-speed anti-radiation missile, is the successor to the Standard ARM missiles. HARM characteristics include software flexibility, inflight retargeting, high speed, large-launch envelope, wide-band coverage, high sensitivity and compatibility with various Navy and Air Force tactical aircraft.

The committee recommends authorization of $362.5 million for 1,450 missiles, a reduction of $130.9 million. This action maintains a level rate of production for the program.

Advanced medium range air-to-air missile (AMRAAM)

The budget request contained $656.6 million to procure 260 AMRAAM missiles and $89.9 million for advance procurement. The committee recommends authorization of $387.6 million to procure 135 missiles and $38.9 million for advance procurement.

Section 127(d) would restrict obligation for low rate production procurement of the AMRAAM missile until the flight test results measuring the performance and design stability of the missile are evaluated against established program specifications. The Secretary of the Air Force is directed to provide to the respective Committees on Armed Services of the Senate and House of Representatives a report on the flight test results.

Section 127(d) would also require:

(1) flight testing of AMRAAM missiles that incorporate the producibility enhancements established for the program before full rate production is undertaken,

(2) the test results are reported to the Committees on Armed Services of the Senate and House of Representatives, and

(3) 60 calendar days expire.

The cost of the AMRAAM program is capped at $7.0 billion in fiscal year 1984 dollars for the procurement of 24,000 missiles.

Modification of Air Force missiles

The budget request contained $146.5 million for various Air Force missile modifications for fiscal year 1987.

The committee recommends authorization of $141.5 million, a reduction of $5.2 million. The reduction reflects a decision by the Strategic Air Command not to buy lead acid batteries as emergency power backup for the LGM-30F/G Minuteman II/III missile program.

Air Force missile spares and repair parts

The budget request contained $334.2 million for Air Force missile spares and repair parts.

The committee recommends authorization of $266.1 million, a reduction of $68.1 million reflecting adjustments to missile end items.

Other support

The budget request contained $3,959.3 million for Air Force other support programs. The committee recommend authorization of $3,048.3 million a net reduction of $911.0 million.

Spaceborne equipment (COMSEC).—The budget request contained $61.9 million for procurement of communications security (COMSEC) equipment for all critical spaceborne communications systems. This program is an integral part of the national COMSEC program administered by the National Security Agency.

The committee recommends authorization of $61.9, the requested amount.

NAVSTAR global positioning system (GPS).—The budget request contained $129.7 million to procure 8 NAVSTAR global positioning satellites and associated equipment as a continuation of the congressionally approved 28 satellite multiyear procurement. The operational NAVSTAR GPS will consist of 21 satellites, a ground control station and approximately 20,000 sets of user equipment for all services. Users of this navigation system will be able to precisely determine position and velocity, in three dimensions and unimpaired by weather anywhere in the world, thereby significantly improving the effectiveness of reconnaissance, weapons delivery, mine countermeasures and rapid deployment for all military services.

The committee recommends authorization of $126.0 million, a reduction of $3.7 million to reflect changes in the shuttle status.

Defense support program (DSP).—The budget request contained $250.0 million in advance procurement for the defense support program (DSP). The fiscal year 1987 request would initiate a new multiyear procurement for the program. DSP satellites contain sensors that provide data to the National Command Authority and other designated users.

The committee recommends $134.4 million in advance procurement for fiscal year 1988, a reduction of $115.6 million. The reduction reflects denial of the multiyear procurement request because of uncertainty regarding future budget constraints.

Defense satellite communications system (DSCS).—The budget request contained $117.1 million to support the satellite communications system (DSCS) in fiscal year 1987. The budget request also contained $5.5 million for advance procurement in fiscal year 1988.

The committee recommends authorization of $109.9 million for DSCS and $5.5 million, the amount requested, for advance procurement. The $7.2 million reduction reflects schedule slips based on shuttle delays.

Upper stages.—The budget request contained $29.1 million for Air Force upper stage programs. The committee recommends authorization of $29.1 million.

The committee is aware that the Department of the Air Force was directed to submit a report to the Congress on Air Force upper stage acquisition planning for the 1990's by April 1, 1986. To date, primarily as a result of the Challenger accident, the report has not been submitted.

The committee wishes to reiterate the requirement for the report, and the importance of incorporating as much competition as possible at the earliest practicable date into the upper stage acquisition planning process. The Air Force should consider taking steps to actively promote competition. Otherwise, current plans could leave the Air Force in a sole-source procurement posture unless such revision is implemented.

Space boosters.—The budget request contained $52.7 million for the complementary expendable launch vehicle (CELV) system program and $230.0 million to support advance procurement in fiscal year 1988.

The CELV is designed to launch 10,000 pound statellites into geosynchronous orbit and is considered as a backup to the space shuttle.

The committee recommends authorization of $102.7 million for the CELV program in fiscal year 1987 and $161.0 million for advance procurement in fiscal year 1988. This represents a net reduction of $19.0 million, reflecting the committee's recommendation to deny approval of the multiyear procurement request because of uncertainties regarding future budget constraints.

Space defense.—The budget request contained $28.5 million for advance procurement for the anti-satellite (ASAT) weapons system.

The committee does not recommend authorization of ASAT procurement related items in fiscal year 1987. This action reflects the committee's recommendation pertaining to the associated research and development phase of the program.

Special programs.—The budget request for Air Force other missile support contained $45.3 million for other programs, $2.1 million for forest green, $24.9 million for IONDS, $1,852.0 million for special programs and $972.6 million for special update programs.

The committee recommends authorization of the amounts requested for other programs, IONDS and for Forest Green; $1,529.8 million for special programs; and $557.8 million for special update programs. Discussion of the reductions to these special programs is contained in a classified annex to this report.

Prior year adjustment

The committee reductions to the amount of authorization for Air Force missile procurement includes a $61.8 million adjustment to prior year funding for the space defense systems program.

OTHER PROCUREMENT, AIR FORCE
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 01: Munitions and Associated Equipment							
Rockets and Launchers							
2.75 inch rocket motor.............	100000	23.7	100000	21.9		-1.8	1
2.75 rocket head w.p................	117000	8.3	12300	1.0	-104700	-7.3	1
Items less than $2.0 m.............		5.7		4.4		-1.3	1
Cartridges (Thousands)							
5.56 mm............................	57706	8.3	29513	4.4	-28193	-3.9	1
20mm combat........................	3225	11.9	1952	8.2	-1273	-3.7	1
20mm training......................	10041	22.3	9600	21.3	-441	-1.0	2
30mm training......................	6023	59.1	4623	41.8	-1400	-17.3	8
30mm API...........................	2364	40.0	2165	31.7	199	-8.3	1
81mm mortar cartridge..............	208	20.0	15	1.0	-193	-19.0	8
MXU-4A/A Engine Starter............	79968	8.3	24000	2.5	-55968	-5.8	2
Cartridge items less than $2m.....		12.4		8.5		-3.9	1
Bombs							
MK 82 Bomb, Inert/BDU-50...........	35000	8.1		0.0	-35000	-8.1	8
Durandal...........................	3400	88.1	2659	68.9	-741	-19.2	1
Timer Activator Fin Fuze (TAFF)...	17230	4.9	4591	2.0	-12639	-2.9	2
Bomb hard target, 2000 lb..........	2290	37.8	1034	13.3	-1256	-24.5	1
GBU-15.............................	696	138.9	100	32.7	-596	-106.2	3
Bomb practice 25 lb................	1088	18.1	608	10.4	-480	-7.7	3
CBU-89/TMD-Gator...................	5390	194.2	3144	113.3	-2246	-80.9	3
CBU-87 (combined effects munition).	28850	566.7	19200	386.6	-9650	-180.1	2
Bigeye.............................		28.4		0.0		-28.4	3
Items less than $2.0 million.......		2.5		1.5		-1.0	1
Targets							
Aerial Tow Target Assembly.........	609	13.0	361	6.8	-248	-6.2	1
Other Items							
MJU-10B Flare......................	165	29.8	84	18.1	-81	-11.7	1
Items less than $2.0 million.......		31.4		18.7		-12.7	1

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 01: Munitions and Associated Equipment (continued)							
Fuzes							
FMU-112/FMU-139 Fuze................	35383	36.8	35383	32.5		-4.3	3
Other Weapons							
9mm handgun..........................	24500	8.7	24500	5.1		-3.6	4
All Other Munitions & Assoc Equip..		118.8		118.8			
Total Munitions and Associated Equipment		1546.2		975.4		-570.8	
Budget Activity 02: Vehicular Equipment..............................		331.8		300.2		-31.6	
Total Vehicular Equipment...............		331.8		300.2		-31.6	
Budget Activity 03: Electronics and Telecommunications Equipment							
Comm Security Equipment (COMSEC)							
Tri-Tac (COMSEC)....................		46.1		43.1		-3.0	7
Intelligence Programs							
Items less than $2 million.........		17.5		17.0		-0.5	7
Electronics Programs							
Traffic Control and Landing System		11.9		4.9		-7.0	1
Tactical Air Control System Improvements......................		64.3		32.0		-32.3	3
Weather Observation and Forecast							
OTHB-Radar..........................		188.2		0.0		-188.2	3
Launch Control Center Communications		9.4		0.0		-9.4	6
Cheyene Mountain Complex...........		10.8		8.8		-2.0	3
DMEWS Modernization................		41.0		0.0		-41.0	3
NAVSTAR GPS.........................		12.4		11.8		-0.6	2
Caribbean Basin radar network......		11.3		7.0		-4.3	3
Air base survivability.............		3.9		0.0		-3.9	3
Tactical warning system support...		3.4		0.4		-3.0	2
North Atlantic Defense CCC.........		26.6		22.2		-4.4	1

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 03: Electronics and Telecommunications Equipment (continued)							
Special Comm-Electronics Projects							
Automatic data processing equip....		135.6		135.4		-0.2	11
Worldwide Mil. Command and Control System/Information System........		40.1		35.8		-4.3	1
MAC Command & Control Support......		53.2		13.1		-40.1	1
Range improvements.................		143.9		88.9		-55.0	1
Radar bomb scorer..................		12.8		9.1		-3.7	1
Precision location strike system...		27.2		0.0		-27.2	10
Space shuttle......................		7.8		4.9		-2.9	1
Base Level Data Automation Program.		99.2		47.2		-52.0	1
Satellite Control Facility.........		126.6		65.2		-61.4	1
Consolidated Space Operations							
SAMTO Test Range I & M.............		66.9		21.8		-45.1	1
EMP Hardening......................		15.8		12.5		-3.3	1
Air Force Communications							
Information Transmission System....		8.0		5.7		-2.3	1
Telephone Exchange.................		76.6		52.2		-24.4	1
Joint Tactical Communications Program..........................		234.1		157.6		-76.5	1
USREDCOM...........................		13.4		5.9		-7.5	2
Automated Telecommunications Prog..		23.8		18.8		-5.0	1
CINC Mobile Command Center.........		30.3		0.0		-30.3	6
Milstar............................		50.6		0.0		-50.6	6
DCA Programs							
Wideband systems upgrade...........		68.7		45.2		-23.5	1
Minimum Essential Emergency Communications Network...........		97.2		63.2		-34.0	1
DCS Secure Voice Equipment.........		37.8		20.9		-16.9	2

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 03: Electronics and Telecommunications Equipment (continued)							
Organization and Base							
Tactical C-E Equipment.............		66.4		26.3		-40.1	1
Radio equipment...................		58.3		38.0		-20.3	1
Fiber optic equipment..............		3.3		1.4		-1.9	1
CCTV/audiovisual equipment.........		7.6		4.6		-3.0	1
Spares and repair parts............		423.3		334.2		-89.1	1
Items less than $2 million.........		20.7		15.2		-5.5	1
Modifications							
Comm-Electronics Class IV..........		40.0		36.8		-3.2	1
Anti-jam voice.....................		23.8		12.5		-11.3	3
All Other Electronics & Telecomm Equip		723.3		723.3			
Total Electronics and Telecommunications Equipment..........................		3183.1		2142.9		-1040.2	
Budget Activity 04: Other Base Maintenance and Support Equipment							
Test Equipment							
Base/A/C/ Calibration package.....		54.5		44.3		-10.2	1
Items less than $2.0 million......		49.8		34.4		-15.4	1
Personal Safety and Rescue Equip							
Items less than $2.0 million......		9.8		6.8		-3.0	1
Depot Plant and Materials Handling Eq							
Air Terminal Mechanization Equip..		3.2		1.2		-2.0	1
Items less than $2.0 million......		16.1		13.2		-2.9	1
Electrical Equipment							
Flood lights......................	926	11.3	900	7.7	-26	-3.6	1
Base Support Equipment							
Base procured equipment...........		59.8		43.5		-16.3	1
Medical and dental equipment......		143.9		117.3		-26.6	1
Airbase survivability equipment...		22.9		0.0		-22.9	3
Collocated operating base facilities		4.1		0.0		-4.1	11
Net assemblies....................		4.5		3.2		-1.3	1
Tactical shelters.................		25.9		16.6		-9.3	1
Productivity investments..........		2.1		0.9		-1.2	1
Mobility equipment................		61.0		42.4		-18.6	1
Spares and repair parts...........		13.9		13.0		-0.9	2
Items less than $2.0 million......		16.2		14.8		-1.4	1

Item	FY 1987 Request		Committee Recommendation		Change from Request		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Budget Activity 04: Other Base Maintenance and Support Equipment (continued)							
Special Support Projects							
Selected Activities................		4115.7		3988.5		-127.2	7
Special update program............		871.9		870.5		-1.4	7
Industrial surge..................		19.2		0.0		-19.2	2
Misc. equipment....................		19.6		6.4		-13.2	6
Modifications......................		8.4		5.0		-3.4	1
All Other Other Base Maintenance..		305.4		305.4			
Total Other Base Maintenance......		5839.2		5535.1		-304.1	
Less prior year funds							
PLSS, FY 1985 and FY 1986.........				-91.8		-91.8	
AFSatCom, FY86....................				-7.0		-7.0	
Total, Less Prior Year Funds...........		0.0		-98.8		-98.8	
Total Other Procurement, Air Force.....		10900.3		8854.8		-2045.5	

1 Mains FY86 level
2 Affordability
3 Execution status
4 Contract savings
5 Reduced increase from FY86
6 Defer new start
7 Classified
8 No requirement
9 Sustainability requirements
10 Program terminated
11 Other funding sources

OTHER PROCUREMENT, AIR FORCE

ITEMS OF SPECIAL INTEREST

Vehicles

The budget request contained $331.8 million for vehicular equipment. The committee recommends authorization of $300.2 million.

The reduction is to be applied to administrative use vehicles, such as passenger cars and other noncritical items.

Deployable medical systems

The budget request contained $143.9 million for medical and dental equipment. The committee recommends authorization of $117.3 million, a reduction of $26.6 million.

The committee supports the need to improve wartime medical readiness; however, it is concerned that the Air Force's Deployable Medical Systems (DEPMEDS) program is moving faster than the Air Force can acquire and develop sites to house the hospitals.

The committee notes that although Congress has already funded ten 500-bed Air Force DEPMEDS that are destined for prepositioning in Europe, they do not, as yet, have sites. In fact, the Air Force is unlikely to obtain and develop sites for these DEPMEDS before sometime in the 1990's.

Because the Air Force's casualties in wartime peak early on, the utility of DEPMEDS is greatly reduced if they are not prepositioned and operational when hostilities begin. Due to the current lack of sites, DEPMEDS procured now would have to be stored in the United States and transported to the theater in the event of war—a situation that would probably require 30 or more days. Given that Congress has already authorized and funded more DEPMEDS than the Air Force would need to meet its projected bed requirements beyound D+30, the committee believes that future procurement of DEPMEDS should be closely synchronized with the Air Force's ability to acquire and develop sites. The committee, therefore, recommends denying two of the four 500-bed communication zone hospitals requested for fiscal year 1987.

The committee emphasizes that this action should not be interpreted as a lack of support for the DEPMEDS program but, rather, as a management decision designed to ensure that the Air Force is able to preposition its DEPMEDS as it acquires them.

Logistics management systems modernization program.

The Air Force is proceeding with enhancement to its readiness and sustainability through the execution of upgrades to the Air Force Logistics Command (AFLC) logistics management systems. The logistics management systems (LMS) modernization program was initiated in 1983, with the objective of upgrading the 1960's technology automated date processing hardware and software systems currently used to manage AFLC's $50 billion logistic support program.

The budget request contained $66.8 million for procurement to support the modernization program. The committee recommends authorization of the requested amount.

In addition, the committee directs the General Accounting Office to review the logistics management system (LMS) modernization program and its contribution to combat readiness. Specifically, as a minimium, logistics management systems that address spare parts requirements calculations, inventory control, procurement administrative lead times and technical data accessibility should be reviewed.

Prior year adjustment

The committee reduction to the amount of authorization for Air Force other procurement includes $98.9 million adjustments in prior year funding for the Precision Location Strike System (PLSS) and Air Force satellite communications programs.

PROCUREMENT, DEFENSE AGENCIES

[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 01: Major Equipment						
Major equipment						
Office, Secretary of Defense......		111.3		111.3		
National Security Agency						
Classified equipment............		[ ]		[ ]		-22.7 [1]
Defense Nuclear Agency						
Vehicles..........................		0.2		0.2		
Other capital equipment.........		4.3		4.3		
Defense Communications Agency						
WWMCCS ADP systems...............		14.9		14.9		
Items less than $900,000 each...		40.2		40.2		
Defense Intelligence Agency						
Intelligence and communications.		[ ]		[ ]		-1.8 [1]
Defense Logistics Agency						
Materials handling equipment....		8.6		8.6		
Vehicles..........................		1.4		1.4		
Mechanized materials handling sys		24.7		24.7		
Automated data processing equip.		60.0		60.0		
Telecommunications equipment....		17.3		17.3		
Other major equipment...........		10.0		10.0		
Items less than $900,000 each...		2.9		2.9		
Auto marking/reading sys (LOGMARS)		0.5		0.5		
Defense Mapping Agency						
Vehicles..........................		0.4		0.4		
Other capital equipment.........		30.1		30.1		
Raster scan edit station........		1.7		1.7		
Defense Investigative Service						
Vehicles..........................		1.8		1.8		
Other capital equipment.........		1.8		1.8		

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 01: Major Equipment (continued)						
Major equipment (continued)						
Uniformed Services University of the Health Sciences						
Items less than $900,000 each...		1.3		1.3		
Defense Contract Audit Agency						
Items less than $900,000 each...		8.1		8.1		
Defense Audiovisual Agency						
Items less than $900,000 each...		0.0		0.0		
Defense Reconnaissance Support Program						
Items less than $900,000 each		402.8		345.1		-57.7 1
Defense Inspector General						
Items less than $900,000 each...		1.7		1.7		
Total Major Equipment..................		1488.4		1406.2		-82.2
Total Procurement, Defense Agencies....		1488.4		1406.2		-82.2

1 Classified

DOD CHEMICAL DEMILITARIZATION PROGRAM
[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Budget Activity 01: Chemical Demilitarization - RDT&E						
Research and development						
Chem demilitarization - RDT&E.....		9.8		9.8		
Total Chemical Demilitarization - RDT&E		9.8		9.8		
Budget Activity 02: Chemical Demilitarization - Procurement						
Chem demilitarization - Procurement		49.8		49.8		
Total Chemical Demilitarization - Procurement..........................		49.8		49.8		
Budget Activity 03: Chemical Demilitarization - O&M						
Chem demilitarization - O&M.......		60.5		60.5		
Total Chemical Demilitarization - O&M..		60.5		60.5		
Total DOD Chemical Demilitarization Program		120.1		120.1		

PROCUREMENT, NATIONAL GUARD AND RESERVE

[Amounts in millions of dollars]

Item	FY 1987 Request		Committee Recommendation		Change from Request	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Reserve Equipment						
Army Reserve........................						
Miscellaneous equipment..........		0.0		100.0		100.0 [1,2]
Navy Reserve						
CSAR helicopters.................		0.0		38.0		38.0
Aircraft support equipment......		0.0		20.0		20.0
Airborne mine countermeasures...		0.0		8.0		8.0
Marine Corps Reserve						
Misc comm/electronics equipment.		0.0		3.6		3.6
Miscellaneous engineering equip.		0.0		29.3		29.3
Analyzer set engine (STE/ICE)...		0.0		1.1		1.1
KC-130 T aircraft................		0.0	2	40.0	2	40.0
Air Force Reserve..................						
C-130 H aircraft.................		0.0	8	150.0	8	150.0
National Guard Equipment						
Army National Guard						
Non-system training devices.....		0.0		25.0		25.0
Communications equipment........		0.0		23.5		23.5
5-ton trucks.....................		0.0		20.6		20.6
Air National Guard						
Miscellaneous Equipment..........		0.0		50.0		50.0 [3]
Total, National Guard and Reserve Equipment........................		0.0		509.1		509.1

[1] Includes $20 million for Continental Army Management Information System (CAMIS) or CAMIS Follow-on for both National Guard and Reserve

[2] None of the funds may be used to purchase additional medical equipment

[3] Includes $15.2 million for Air Combat Maneuvering Instrumentation (ACMI) training devices; obligation of funds contingent upon completion of Master Plan for Active and Reserve Forces. Plan should exploit competitive procurement to the maximum extent.

NATIONAL GUARD AND RESERVE FORCES

The committee recommends $509.1 million in authorization in obligational authority above the requested amount of $2.8 billion for procurement for the National Guard and Reserve components. Any additional amounts appropriated or otherwise made available for unbudgeted items above the authorized level would be absorbed within the $509.1 million authorization ceiling.

The preceding table summarizes the committee's recommendation. In addition, as discussed earlier in this report, the Secretary of the Army is directed to assign 18 AH-64 (Apache), 3 UH-60 (Blackhawk) and 6 CH-47D (Chinook) helicopters to the Army National Guard as part of the continued modernization program.

Section 105 would require, beginning in fiscal year 1988, that the Secretary of Defense budget separately for the National Guard and Reserve components.

Since fiscal year 1982, the Congress has required the Department of Defense to make an annual report to the Congress on the status of equipment required by, on hand in, and programmed for the National Guard and Reserve. Last year the Congress amended section 138 of title 10, United States Code, to require additional information making this report more meaningful.

Examination of this report, now known as the P-1R, is illuminating and substantiates the great concern of the committee regarding the status of the effort to equip the National Guard and Reserve components to permit them to accomplish their wartime missions. For example, in fiscal year 1985, equipment for the Army's reserve components was reduced by 19 percent while equipment procurement was reduced 23 percent; active Army equipment procurement was reduced only 10 percent. In fiscal year 1987, the budget request for equipment procurement for the Army National Guard and Reserve was reduced by 42 percent from fiscal year 1986 levels while equipment procurement for the active Army was reduced by 23 percent. Even after taking account of equipment the Congress directed to be allocated to the Army's reserve components and older equipment that the Army redistributes from its active components to its reserve components, the percentage of equipment for the Army Guard and Reserve is being reduced each year much more severely than is active Army equipment.

The Department of Defense, with some pride, repeatedly makes the point in testimony that it equips units of the Total Force, including the Guard and the Reserve, on the basis of first to fight—first equipped. Although this policy appears reasonable, it ignores the fact that by D+90 virtually all Guard and Reserve units will have been deployed either overseas or at CONUS wartime stations. Only equipment already on hand or on order can be available to equip these units for their wartime missions; no equipment can be manufactured in 90 days.

The committee believes that by using data available in the P-1R report, each of the military services should be able to develop a factor (percentage) that represents the share of total Service procurement that should be dedicated to its reserve components. Such a factor should take into account equipment required (based on wartime requirements), combat capable equipment on hand, and equipment programmed for delivery. The committee would then expect each of the services to dedicate that percentage of the Total Service procurement to its reserve component units.

The committee expects the Assistant Secretary of Defense for Reserve Affairs to coordinate the efforts of each of the military services in the development of factors that represent a justifiable share of Total Service procurement that should be dedicated for the reserve components of each of the services. The committee expects the fiscal year 1988 budget request to reflect a more equitable share of each military service's procurement program to be allocated to its National Guard and Reserve units.

Historically, the Congress has favored and encouraged greater utilization of the National Guard and Reserve. Past testimony has established the fact that the Army utility aircraft fleet and the Air Force support aircraft fleet have only some 60% of their fixed wing aircraft requirement and that nearly all these shortages exist in the inactive forces. For this reason Congress has seen fit to add funds for C-12 aircraft in fiscal years 1983 through 1986 directing that they be delivered directly to the Army National Guard and the Air National Guard. In order to sustain the momentum in this important task, the committee recommends reallocating $25.4 million of the fiscal year 1987 Army and Air Force aircraft procurement appropriations to buy four C-12 aircraft for the Army National Guard, two of which will be C-12J models, and four C-12J aircraft for the Air National Guard.

Legislative Provisions

SECTION 109—EXTENSION OF AUTHORITY PROVIDED THE SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AIRBORNE WARNING AND CONTROL SYSTEM (AWACS) PROGRAM

Section 109 would extend the provisions of section 103(a) of the Defense Authorization Act for fiscal year 1984 (Public Law 97-86) to fiscal year 1987 to provide certain waiver authority in carrying out Multilateral Memoranda of Understanding between North Atlantic Treaty Organization (NATO) Ministers of Defense on the NATO E-3A early warning aircraft cooperative program.

SECTION 111—DEPLETED URANIUM PENETRATOR

Section 111 would direct the Secretary of Defense to procure depleted uranium penetrators on a government-furnished material basis from at least two sources in the existing production base for such penetrators.

In addition, the committee directs the General Accounting Office to evaluate the cost/benefit tradeoffs to the government of separately providing the depleted uranium penetrator as compared to acquiring a complete munition round from a contractor. Also, the evaluation should assess the advantages and disadvantages of the government functioning as the integrator of the round rather than a contractor.

SECTION 112—FLIGHT INSPECTION AIRCRAFT

The committee has included section 112 that directs the Secretary of the Air Force to obligate within 180 days of the enactment of the fiscal year 1987 defense authorization act previously authorized and appropriated funds for the procurement of a new flight inspection aircraft.

Such aircraft shall be procured competitively and shall meet the performance specifications established in paragraph 2C(2) of the Department of the Air Force Program Management Directive for Flight Inspections Aircraft dated July 11, 1984.

SECTION 113—AIR FORCE FIGHTER COMPETITION

Section 113 would permit the Secretary of the Air Force to award a multiyear contract for the procurement of the air defense aircraft.

If the multiyear contracting authority provided in section 113 is used, the Air Force, shall, immediately after contract award, furnish the Committees on Armed Services of the Senate and House of Representatives with multiyear justification exhibits validating that the savings meet the necessary criteria. The committee expects the fiscal year 1988 budget request to properly fund the cancellation ceiling liability.

SECTION 124—DDG-51 DESTROYER PROGRAM

Section 124 would repeal section 102(h) of the Department of Defense Authorization Act, 1985 (Public Law 98–525) that limits the obligation or expenditure of funds for the DDG–51 program until the Secretary of the Navy certifies that the lead ship of that program is capable of being equipped with the Rankine Cycle Energy Recovery (RACER) system without rearrangement of ship spaces and equipment or other major modification of the ship.

Section 124 would also require the Secretary of the Navy to plan for the installation of RACER on the second flight of DDG–51 class ships, including preparation of a ship design that includes the RACER system.

In light of the committee's recommendations concerning the RACER program, the committee urges the Navy to consider delaying the retirement of the GTS Admiral Callaghan, currently operated by the Military Sealift Command in cargo service, until the ship is no longer needed for the RACER test program.

SECTION 125—BASIC POINT DEFENSE MISSILE SYSTEM ON AMPHIBIOUS VESSELS

Section 125 would require that the Secretary of the Navy maintain in an operational status the Basic Point Defense Missile system on any commissioned amphibious vessel equipped with the system on the date of enactment until a follow-on system of comparable capability is available for immediate replacement.

TITLE II—RESEARCH, DEVELOPMENT, TEST AND EVALUATION (RDT&E)

The following tabulation compares the amount authorized and appropriated for Research, Development, Test and Evaluation (RDT&E) for fiscal year 1986 with the amount requested for fiscal year 1987. A summary of the committee adjustments to the fiscal year 1987 RDT&E authorization is also provided.

RDT&E COMPARISON, FISCAL YEAR 1986 AND 1987

[In thousands of dollars]

Department	Fiscal year 1986 request	1986 authorization Public Law 99–145	1986 appropriation Public Law 99–190	1986 adjusted amount post-sequestration	Fiscal year 1987 request
Army	5,279,900	4,848,663	4,798,172	4,563,062	5,550,300
Navy	11,264,300	10,106,401	10,065,239	9,572,042	10,586,800
Air Force	15,578,500	13,719,721	13,718,208	13,046,016	17,275,400
Defense agencies	7,157,400	6,813,969	6,755,886	6,426,072	8,517,400
Total	39,280,100	35,488,754	35,337,505	33,607,192	41,929,900

SUMMARY OF RECOMMENDED ADJUSTMENTS TO FISCAL YEAR 1987 RESEARCH, DEVELOPMENT, TEST AND EVALUATION AUTHORIZATION REQUEST

[In thousands of dollars]

Department	Fiscal year request	Recommended change	Recommended authorization
Army	5,550,300	(732,236)	4,818,064
Navy	10,586,800	(1,489,711)	9,097,089
Air Force	17,275,400	(3,146,342)	14,129,058
Defense agencies	8,517,400	(838,618)	7,678,782
Total	41,929,900	(6,206,907)	35,722,993
Special foreign currency	3,500	0	3,500

OVERVIEW

The Department of Defense request for the fiscal year 1987 Research, Development, Test and Evaluation (RDT&E) program totaled $41,929,900,000, an increase of $8,322,708,000 over the amount appropriated by the Congress for fiscal year 1986 and reduced by the March sequester. The Department's request reflected a 25 percent increase over the amount provided for fiscal year 1986. In recognition of budgetary constraints to reduce the federal deficit, the committee recommends reducing the request for RDT&E by nearly 15 percent.

The committee emphasized in its report accompanying H.R. 1872, the Department of Defense Authorization Act, 1986, that the RDT&E account has grown by 100 percent in less than four years. Although some of this growth was necessary, the committee noted a growing emphasis on developing systems rather than on expanding technology and taking full advantage of products emanating from the technology base. The committee found that each service was developing unique equipment, that joint programs were not being pursued when appropriate and that far too many development programs resulted in needless duplication of effort.

The committee, in reviewing the fiscal year 1987 request, confirmed these findings and concludes that the Department, in its program of weapons systems development, is trying to do too much. The fiscal year 1976 RDT&E budget request contained 610 program elements. The program elements consisted of 1,061 major projects and several thousands smaller projects. In contrast, the fiscal year 1986 RDT&E program contained 805 program elements consisting of 1,630 major projects and again, several thousand smaller ones. Not only has the number of program elements increased by over 30 percent, but the number of programs less than $100 million in scope have increased from 594 in 1976 to 734.

The significance of these statistics is that every research and development dollar invested in the advanced development and full-scale engineering phases of the weapon systems development process generates a requirement for ten or more dollars within a five-to-ten year period for procurement, operations and maintenance, and ancillary support costs. Therefore, careful consideration must be given to the investment of research and development funds if the Department of Defense is to realize a good return on investment. The committee finds that the return on investment has been far less than satisfactory as a consequence of multiple service programs to meet the same general requirements. This was evidenced by the Joint Tactical Information Distribution System (JTIDS). In fiscal year 1986, the committee recommended consolidation of the Navy and Air Force version of JTIDS into a single system. Department of Defense representatives alleged that such an action was an impractical, if not impossible, objective. The committee's insistence on a single system was, in part, the reason for termination of the Navy system. This year, the Air Force version will be integrated into Navy aircraft—an initiative that should have been taken years ago by the Department of Defense and one that would have saved millions of dollars of investment.

Consistent with its findings, the committee has recommended a number of program cancellations and consolidations for fiscal year 1987. Additionally, the committee is recommending a greater emphasis on "emerging technologies" such as Stealth, Very High-Speed Integrated Circuits, Remotely Piloted Vehicles, Low-Probability of Intercept Sensors, and Precision and Terminal Submunitions and Munitions. The committee is also emphasizing NATO Cooperative Research and Development because many European allies as well as other allies such as Israel have developed systems that are very good, low in cost and would meet 95 percent or more of U.S. requirements. The latest version of the Milan Anti-Tank Missile is nearly 95 percent successful in its tests and has been offered to the United States under a firm fixed-price contract of under $8,000 per unit. The committee finds that the concerns related to NATO matter of NATO Cooperative Research and Development has been more of a rhetorical rather than a substantive nature and that the United States has missed many opportunities for savings by licensing U.S. firms to manufacture European-developed systems.

The more significant actions taken by the committee in the research and development area include:

(1) Consolidation of all service electronic warfare programs under the Assistant Secretary of Defense for Command, Control, Communications and Intelligence. The Department of Defense requested nearly $745 million for Army, Navy (including Marine Corps) and Air Force electronic warfare programs. The committee's recommendation provides an authorization of $488,857,000 for tri-service electronic warefare programs under the Assistant Secretary of Defense for C^3I. Section 206 contains a legislative provision that would limit the availability of these funds that are available to this purpose. The committee's action is based on the long-standing concern that too much duplication of effort exists in this most important area of electronic warfare. This view was expressed in the Statement of Managers accompanying H.R. 5167, the Department of Defense Authorization Act, 1985 (H. Rept. 98-691), and again, in the Statement of Manages accompanying S. 1160, the Department of Defense Authorization Act, 1986 (H. Rept. 99-235). The latter report noted that the "electronic warfare roadmap" prepared by the Department of Defense reflected a lack of coordination among the services. No cohesive plan exists for electronic warfare programs resulting in the development of multiple jamming systems and radar warning receivers. The committee intends the Assistant Secretary of Defense to prepare a viable plan, to reduce the number of electronic warfare programs, and to capitalize on advances in micro-electronics to move forward with the Integrated Electronic Warfare System (INEWS)—all of which lead to more operational capability with a concommitant improvement in return on investment.

(2) Consolidation of Air Force tactical aircraft improvements and developments. The Administration requested $663 million for the F-111, F-15, F-16, F-4G, A-7 squadrons and the Advanced Tactical Fighter (ATF). The committee does not believe that all of these programs are affordable even in the absence of the present budgetary constraints. The requirement for the Advanced Tactical Fighter at this time appears to be based more on the desire to build a new aircraft rather than on combat need. The desire to "carry the battle well beyond the forward area of the battle area" may best be satisfied by conventional standoff weapons in conjunction with product improved F-16's as opposed to a $50 billion or more ATF program. Accordingly, the committee consolidated all aircraft improvement and development programs into a single Tactical Aircraft program with the direction to terminate a minimum of three systems.

(3) The committee recommendation to establish a formal Conventional Defense Initiative (CDI) as referenced in the President's address of March 23, 1983. Included in this Coventional Defense Initiative are a NATO Cooperative Research and Development program, the development of an infantry light anti-armor weapons system for the Army, near-term major surface combatant ship, anti-air warfare improvements in sensors and weaponry, the test and evaluation of off-the-shelf Non-Developmental Items (NDI) and a number of other initiatives that will increase the combat capability of conventional forces and at the same time raise the threshold

for theater nuclear war. Accordingly, the committee has recommended authorization of nearly $462 million for this purpose and included a provision (sec. 207) that would express the sense of Congress to proceed with this initiative.

(4) Reductions in authorization requested for strategic systems. The committee recommended a reduction of $1.4 billion from the $4.8 billion requested for the Strategic Defense Initiative (SDI). The committee is generally supportive of SDI research but believe that the objectives of the SDI program are too diverse and, in some instances, do not contribute significantly to the objectives delineated by the President in the address of March 23, 1983. The argument put forth by Department of Defense representatives that reductions in the SDI program detract from the findings of the so-called Fletcher Panel convened by the Administration is not a justification for supporting the Administration's request. The findings of the Fletcher Panel were not based on a limited budget; that is, it was a treatise on technology in an unconstrained budget environment. The committee believes that support of the SDI program at the level requested would result in severe reductions in conventional technology programs.

Concerning strategic offensive systems, the committee recommends that the gross missile weight of the Small Intercontinental Ballistic Missile (SICBM) be increased to 37,000 pounds rather than the 30,000 limit imposed by the Congress in the Defense Authorization Act, 1985 (Public Law 98-94). The committee recommended no authorization to continue research and development on silo hardening partially because of budget constraints but, more importantly, because this effort is basically not in consonance with arms control objectives. Even though the operations and support costs for the SICBM could be higher than a fixed base heavy ICBM such as the MX, the key to arms control and crisis stability is an area dispersal system such as the SICBM. Because some representatives of the Department of Defense appear to be in favor of abrogating the findings and recommendations of the President's Commission on Strategic Force Modernization—the Scowcroft Panel—concerning the SICBM, the committee has included a provision (sec. 210) that would link the deployment of any MX missiles beyond 10 to the progress of the SICBM. The committee fully supports the request of $1.4 billion for the SICBM and $541.3 million to complete test and evaluation of the MX missile.

The major actions recommended by the committee, coupled with numerous reductions in many smaller programs, result in the total recommended authorization of $35,722,993,000 for the fiscal year 1987 Department of Defense RDT&E program.

ADJUSTMENTS TO FISCAL YEAR 1987 RDT&E REQUEST

The committee recommendation for the fiscal year 1987 RDT&E program are identified in the tables and discussion that follow.

The committee denied specific authorization for the following programs but would not object to the Department of Defense continuing these programs within its total authorization.

V-22 Osprey Aircraft—$170 million (for a total authorization of $340.0 million);

Standoff Land Attack Missile—$37.5 million;
Mark 92 Gun Fire Control System—$7.8 million.

Specific rationale is not provided for every programmatic adjustment. For those programs not discussed, analysis of available data and testimony by defense witnesses indicated that funds requested were inappropriate to fiscal year 1987 requirements because of incomplete data, similar efforts being accomplished in other programs, or the disparity of the level of effort and the funding requested. Because of budget constraints, the committee in several instances reduced programs to the level that was forecast by the Department of Defense earlier in the year. A detailed rationale for each action will be made available to the Department of Defense.

ARMY RESEARCH AND DEVELOPMENT FY 1987
(In thousands of dollars)

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
001	61101A	IN-HOUSE LAB INDEPENDENT RESEARCH	19,020		19,020
002	61102A	DEFENSE RESEARCH SCIENCES	212,594		212,594
003	61103A	UNIVERSITY RESEARCH INITIATIVES	12,380		12,380
004	62105A	MATERIALS	16,346		16,346
005	62111A	ATMOSPHERIC INVESTIGATIONS	11,563	(1,000)	10,563
006	62120A	NUCLEAR WEAPONS EFFECTS/FLUIDICS	47,797	(4,000)	43,797
007	62122A	SURVIVABILITY ENHANCEMENT	[ ]		[ ]
008	62201A	AIRCRAFT WEAPONS TECHNOLOGY	1,416		1,416
009	62202A	AIRCRAFT AVIONICS TECHNOLOGY	11,102		11,102
010	62209A	AERONAUTICAL TECHNOLOGY	34,814		34,814
011	62210A	AIRDROP TECHNOLOGY	2,900		2,900
012	62303A	MISSILE TECHNOLOGY	24,587		24,587
013	62307A	LASER WEAPON TECHNOLOGY	11,228		11,228
014	62601A	TANK AND AUTOMOTIVE TECHNOLOGY	25,711		25,711
015	62603A	LARGE CALIBER AND NUCLEAR TECHNOLOGY	0		0
016	62617A	SMALL CAL AND FIRE CNTRL TECHNOLOGY	0		0
017	62618A	BALLISTICS TECHNOLOGY	46,155		46,155
018	62622A	CHEMICAL AND SMOKE MUNITIONS	23,228		23,228
019	62623A	JOINT SERVICE SMALL ARMS PROGRAM	11,119		11,119
020	62624A	WEAPONS & MUNITIONS TECHNOLOGY	28,663	(5,000)	23,663
021	62701A	TACTICAL TELEPROCESSING TECHNOLOGY	26,894		26,894
022	62703A	COMBAT SURVEILL TARGET ACQUIS & IDENT	7,766		7,766
023	62704A	MIL ENVIRONMENTAL CRITERIA DEV	3,413		3,413
024	62705A	ELECTRONICS AND ELECTRONIC DEVICES	24,039		24,039
025	62706A	CHEM BIOLOGICAL DEF / GEN INVEST	39,656		39,656
026	62707A	MAPPING - GEODESY	9,678		9,678
027	62709A	NIGHT VISION INVESTIGATIONS	28,056		28,056
028	62715A	TACTICAL ELECTRONIC WARFARE TECHNOLOGY	[ ]		[ ]
029	62716A	HUMAN FACTORS ENG SYS DEV	17,811		17,811
030	62717A	HUMAN PERFORMANCE EFFECT/SIMULATION	13,113		13,113
031	62719A	MOBILITY AND WEAPONS EFFECTS TECH	14,879		14,879
032	62720A	ENVIRONMENTAL QUALITY TECH	8,760		8,760
033	62722A	MANPOWER/PERSONNEL/TRAINING	4,730		4,730
034	62723A	CLOTHING EQUIP AND SHELTER TECH	18,012	(3,000)	15,012
035	62724A	JT SVC FOOD SYS TECH	5,162	(1,500)	3,662
036	62725A	COMPUTER AND INFORMATION SCIENCE	2,574		2,574
037	62727A	NON-SYSTEM TRAINING DEVICES	4,397		4,397
038	62730A	COLD REGIONS ENGINEERING TECHNOLOGY	4,308		4,308
039	62731A	MILITARY FACILITIES ENGINEERING TECHNOLOGY	5,764		5,764
040	62733A	MOBILITY EQUIPMENT TECHNOLOGY	15,914		15,914
041	62734A	MED DEFENSE AGAINST CHEM AGENTS	34,613		34,613
042	62746A	TACTICAL SOFTWARE TECHNOLOGY	10,794	(2,000)	8,794
043	62770A	MILITARY DISEASE HAZARDS TECH	48,677	(2,000)	46,677
044	62772A	COMBAT CASUALTY CARE TECH	10,376		10,376
045	62775A	COMBAT MAXILLOFACIAL INJURY	2,813		2,813
046	62777A	SYSTEMS HEALTH HAZARD PREVENT TECH	22,223		22,223
047	62781A	ENERGY TECH APPL FOR MILITARY FACIL	2,035		2,035
		CLASSIFIED PROGRAMS	18,837		18,837
		———Subtotal, TECHNOLOGY BASE	945,917	(18,500)	927,417

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LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
048	63102A	MATERIELS AND STRUCTURES	20,154	(2,100)	18,054
049	63104A	FUELS AND LUBRICANTS	3,527		3,527
050	63105A	ACQUIRED IMMUNE DEFICIENCY SYNDROME RESEARCH	0		0
051	63201A	AIRCRAFT POWER PLANTS AND PROPULSION	20,365		20,365
052	63206A	AIRCRAFT WEAPONS	10,349		10,349
053	63207A	AIRCRAFT AVIONICS EQUIPMENT	4,408		4,408
054	63209A	AIR MOBILITY SUPPORT	0		0
055	63211A	ROTARY WING CONTROLS/ROTORS/STRUCTURES	23,560		23,560
056	63216A	SYNTHETIC FLIGHT SIMULATOR DEVELOPMENT	11,126		11,126
057	63218A	AIRDROP ADVANCEMENT	4,547		4,547
058	63221A	NOE AVIATION AND NAVIGATION EQUIPMENT	2,370		2,370
059	63255A	OPERATIONAL ENHANCEMENTS	2,637	(2,637)	0
060	63306A	TE●INALLY GUIDED PROJECTILES (D232)	27,939	(26,102)	1,837
061	63313A	MSL/ROCKET COMPONENTS	37,881		37,881
062	63322A	BATTLEFIELD ENVIRONMENT SIMULATION	7,083	(3,000)	4,083
063	63324A	ARMY DEVELOPMENT AND EMPLOYMENT ACTIVITY	11,411		11,411
064	63602A	ADVANCED LAND MOB SYSTEMS CONCEPTS	10,890		10,890
065	63606A	LANDMINE WARFARE/BARRIER DEV	11,344	10,000	21,344
066	63607A	JOINT SERVICE SMALL ARMS PROGRAM	9,480	(2,000)	7,480
067	63621A	COMBAT VEHICLE PROPULSION SYS	9,766		9,766
068	63631A	CMBT VEH TURRET AND CHASSIS SUBSYS	18,895		18,895
069	63636A	COMBAT VEHICLE ARMOR/ANTI-ARMOR	9,411		9,411
070	63637A	ADV PROPULSION/LAUNCH SYS FOR MUN	5,887		5,887
071	63638A	NUCLEAR VULNERABILITY ADV TECHNOLOGY	6,614	(6,614)	0
072	63640A	AMMUNITION LOGISTICS	2,170		2,170
073	63710A	NIGHT VISION ADVANCED DEVELOPMENT	29,080		29,080
074	63719A	SPECIAL PURPOSE DETECTORS	2,961	(1,400)	1,561
075	63723A	TACTICAL C4 TECHNOLOGY INTEGRATION	13,335		13,335
076	63725A	REMOTELY PILOTED VEHICLES/DRONES	0		0
077	63727A	SPACE TECHNOLOGY INTEGRATION	987	(987)	0
078	63731A	MANPOWER AND PERSONNEL	14,204		14,204
079	63734A	ENGINEERING SYSTEMS	5,393		5,393
080	63736A	HUMAN FACTORS ENGINEERING APPLICATIONS	2,458	(2,458)	0
081	63737A	ANTI-RADIATION MSL COUNTER MEASURES	[ ]		[ ]
082	63739A	HUMAN FACTORS IN TNG/OPER EFFECT	9,191		9,191
083	63742A	ADV ELECTRONIC DEVICES DEV	5,537	(5,537)	0
084	63743A	EDUCATION AND TRAINING	7,033		7,033
085	63744A	TRAINING SIMULATION	6,618		6,618
086	63748A	TEST MEASUREMENT & DIAGNOSTIC EQUIPMENT DEVEL	7,174		7,174
087	63749A	TECHNICAL VULNERABILITY REDUCTION	3,300		3,300
088	63752A	DEMILITARIZATION CONCEPTS	0		0
089	63756A	DOD SOFTWARE INITIATIVES (STARS)	0		0
090	63758A	ARMY BATTLEFIELD TECHNOLOGY INTEGRATION	12,385		12,385
091	63759A	CB DEF/SMK ADV TECHNOLOGY DEMONSTRATIONS	7,484	(2,000)	5,484
092	63761A	ELEC WRFR VULN/SUSCEP TECH SUPPORT	[ ]		[ ]
093	63762A	EW FEASIBILITY DEVELOPMENT	[ ]	(17,918)	(17,918)
094	63763A	NONSYSTEMS MEDICAL MATERIAL DEVELOPMENT	19,492		19,492
095	63764A	MEDICAL CHEMICAL DEFENSE LIFE SUPPORT	17,390		17,390
096	63771A	ADVANCED TACTICAL COMMUNICATIONS TECHNOLOGY	1,461	(1,461)	0
097	63772A	ADV TACTICAL COMPUTER SCIENCE & TECHNOLOGY	13,674	(3,000)	10,674
098	63773A	BATTLEFIELD SUSTAINMENT	3,342	(3,342)	0
		CLASSIFIED PROGRAMS	33,721		33,721
		—Subtotal, ADVANCED TECHNOLOGY DEVELOPMENT	488,034	(70,556)	417,478

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LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
099	12814A	SPECIAL PROGRAMS	[ ]		[ ]
100	12821A	CLASSIFIED PROGRAM	[ ]	(39,500)	(39,500)
101	33152A	WORLDWIDE MILITARY CMD&CNT SYS INF SYS	29,557		29,557
		CLASSIFIED PROGRAMS	249,430		249,430
		———Subtotal, STRATEGIC PROGRAMS	278,987	(39,500)	239,487
102	63209A	AIR MOBILITY SUPPORT	10,848		10,848
103	63215A	JOINT SURVIVABILITY INVESTIGATIONS	735		735
104	63217A	GREATER SLOPE	0		0
105	63220A	ADVANCED ROTOCRAFT TECHNOLOGY INTEGRATION/LHX	44,420	(4,420)	40,000
106	63225A	AIRDROP EQUIPMENT SYSTEMS	1,256		1,256
107	63302A	ANTI-TACTICAL MISSILE SYSTEM	38,635	(38,635)	0
108	63303A	SURF-TO-SURF MSL ROCKET SYS	42,681		42,681
109	63323A	LIGHT WEIGHT AIR DEFENSE SYSTEM	21,717	(21,717)	0
110	63604A	NUCLEAR MUNITIONS AND RADIACS	[ ]		[ ]
111	63608A	WEAPONS AND AMMUNITION	173	20,000	20,173
112	63612A	ADVANCED ANTI-TANK WEAPON SYSTEM (MEDIUM)	48,735	(48,735)	0
113	63615A	LETHAL CHEMICAL MUNITIONS CONCEPTS	25,307		25,307
114	63619A	LANDMINE/BARRIER SYS	10,477		10,477
115	63627A	SMOKE MUNITIONS AND MATERIEL CONCEPTS	3,189	(600)	2,589
116	63628A	ARTILLERY/MORTAR AMMO DEVELOPMENT (DK 83)	17,210	(7,403)	9,807
117	63633A	TANK/FIGHTING VEHICLE AMMO DEVELOPMENT	0		0
118	63635A	MOBILE PROTECTED GUN	0		0
119	63639A	ARMAMENT ENHANCEMENT INITIATIVE (AEI)	[ ]	(20,000)	(20,000)
120	63641A	PROGRAM 292	[ ]	(9,871)	(9,871)
121	63702A	ELECTRIC POWER SOURCES	8,017	(3,000)	5,017
122	63705A	PHYSICAL SECURITY	2,339		2,339
123	63706A	IDENTIFICATION-FRIEND OR FOE DEVELOPMENTS	20,373		20,373
124	63707A	COMMUNICATIONS DEVELOPMENT	2,673		2,673
125	63711A	AIRCRAFT SURVIVABILITY EQUIPMENT	4,588	(4,588)	0
126	63713A	ARMY DATA DISTRIBUTION SYSTEM	42,122	(5,000)	37,122
127	63718A	ELECT WRFR VULNERABILITY/SUCEPTIBILITY	16,912	(16,912)	0
128	63720A	CHEMICAL/BIO DETECTION WARM/SAMP MAT CONCEPTS	0		0
129	63721A	CML BIO PROTECTIVE MATERIEL CONCEPTS	8,045		8,045
130	63723A	MISSION CRITICAL SOFTWARE	0		0
131	63725A	REMOTELY PILOTED VEHICLES/DRONES	4,917		4,917
132	63726A	COMBAT SUPPORT EQUIPMENT	24,285	(2,000)	22,285
133	63730A	TACTICAL SURVEILLANCE SYSTEM	[ ]	(15,300)	(15,300)
134	63732A	COMBAT MEDICAL MATERIAL	8,189		8,189
135	63740A	SHORT RANGE AIR DEFENSE COMMAND AND CONTROL	16,189	(16,189)	0
136	63741A	METEOROLOGIC EQUIPMENT DEVELOPMENT	0		0
137	63745A	TAC ELECTRONIC SPT MEASURE SYS	[ ]		[ ]
138	63746A	SINGLE CHAN GND & ABN RADIO SYS (SINCGARS) AD	0		0
139	63747A	SOLDIER SUPPORT/SURVIVABILITY	4,722		4,722
140	63750A	DRUG AND VACCINE DEVELOPMENT	17,077		17,077
141	63751A	MEDICAL DEFENSE AGAINST CHEM WARFARE	26,449		26,449
142	63754A	CLASSIFIED PROGRAM (ADV)	[ ]		[ ]
143	63755A	TACTICAL ELECTRONIC COUNTERMEASURES	[ ]	(31,319)	(31,319)
144	63757A	AIR DEFENSE ALTERNATIVES	103,944	(103,944)	0
145	63766A	TACTICAL ELECTRONIC SURVEILLANCE	[ ]		[ ]

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LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
146	63767A	COMBAT SERVICE SUPPORT CONTROL SYS	4,608	(3,608)	1,000
147	63774A	NIGHT VISION SYSTEMS ADVANCED DEVELOPMENT	3,307		3,307
148	64202A	AIRCRAFT WEAPONS	0		0
149	64204A	AIR MOBILITY SUPPORT EQUIPMENT	4,418		4,418
150	64206A	UH-60 BLACKHAWK	0		0
151	64207A	ADVANCED ATTACK HELICOPTER	12,931		12,931
152	64216A	AIRCRAFT PROPULSION SYSTEMS	111,301	(5,000)	106,301
153	64217A	SYNTHETIC FLIGHT TRAINING SYSTEMS	10,680		10,680
154	64218A	AIRDROP EQUIP DEVELOPMENT	3,281		3,281
155	64220A	ARMY HELICOPTER IMPROVEMENT PROG	0		0
156	64223A	ADVANCED TECHNOLOGY LIGHT HELICOPTER SERIES	0		0
157	64268A	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	0		0
158	64306A	STINGER	6,252		6,252
159	64307A	PATRIOT AIR DEFENSE MISSILE SYSTEM	0		0
160	64310A	HELIBORNE MISSILE-HELLFIRE	0		0
161	64313A	GRASS BLADE	6,698	(6,698)	0
162	64314A	MULTIPLE LAUNCH ROCKET SYSTEM	0		0
163	64321A	JOINT TACTICAL FUSION PROGRAM	[ ]	(7,600)	(7,600)
164	64324A	JOINT TACTICAL MISSILE SYSTEM-ARMY (JTACMS-A)	88,197		88,197
165	64601A	INFANTRY SUPPORT WEAPONS	26,044	(5,000)	21,044
166	64603A	NUCLEAR MUNITIONS	[ ]	(2,000)	(2,000)
167	64604A	MOBILITY	47,828	(42,828)	5,000
168	64608A	INFANTRY WEAPONS AND AMMUNITION	0		0
169	64609A	SMOKE MUNITIONS & MATERIEL	7,892		7,892
170	64610A	LETHAL CHEMICAL MUNITIONS	0		0
171	64612A	COUNTERMINE AND BARRIERS	9,728		9,728
172	64616A	FIGHTING VEHICLE SYS	0		0
173	64619A	LANDMINE WARFARE	16,755	(6,879)	9,876
174	64630A	M1A1 DEVELOPMENT PROGRAM	3,798		3,798
175	64631A	FIELD ARTILLERY AMMUNITION	107,275		107,275
176	64632A	105MM TANK AMMUNITION	0		0
177	64633A	CACTUS PLANT	[ ]	(5,997)	(5,997)
178	64701A	COMM ENGINEERING DEV	6,473	(1,000)	5,473
179	64702A	JT TACTICAL INFORMATION DISTRIBUTION SYSTEM	0		0
180	64704A	UNATTENDED GROUND SENSORS	0		0
181	64705A	MODULAR INTEGRATED COMM AND NAVIGATION SYS	8,224	(8,224)	0
182	64706A	RADIOLOGICAL DEFENSE EQUIPMENT	0		0
183	64709A	IDENTIFICATION FRIEND OR FOE EQUIPMENT DEV	9,871	(9,871)	0
184	64710A	NIGHT VISION DEVICES	21,944		21,944
185	64711A	AIRCRAFT SURVIVABILITY EQUIPMENT	19,934		19,934
186	64712A	ARMY COMMAND AND CONTROL SYSTEMS ENGINEERING	6,113		6,113
187	64713A	COMBAT FEEDING, CLOTHING AND EQUIPMENT	4,363		4,363
188	64714A	TACTICAL ELECTRICAL POWER SOURCES	6,449		6,449
189	64717A	GENERAL COMBAT SUPPORT	11,538		11,538
190	64718A	PHYSICAL SECURITY	1,216	6,000	7,216
191	64722A	EDUCATION AND TRAINING	4,378		4,378
192	64723A	SPECIAL PURPOSE DETECTORS	1,181		1,181
193	64724A	CML/BIO DETECTION WARNING & TRAINING MATERIEL	31,427		31,427
194	64725A	CHEM BIO PROTECTIVE MATERIEL	10,550	(7,550)	3,000
195	64727A	COMMAND AND CONTROL	548		548
196	64730A	REMOTELY PILOTED VEHICLES	91,880	(91,880)	0
197	64735A	INFRARED TERMINALLY GUIDED SUBMUNITION	27,114	(14,000)	13,114
198	64740A	TACTICAL SURVEILLANCE SYSTEM	[ ]		[ ]
199	64741A	DIVISION AIR DEFENSE COMMAND AND CONTROL	82,065	(52,065)	30,000

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LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
200	64746A	AUTOMATIC TEST EQUIPMENT DEVELOPMENT	12,325		12,325
201	64750A	TACTICAL ELECTRONIC COUNTERMEASURES	[ ]	(15,130)	(15,130)
202	64751A	SINGLE CHAN GND & ABN RADIO SYS (SINCGARS) ED	13,922		13,922
203	64754A	CLASSIFIED PROGRAM (ENG)	[ ]	(20,000)	(20,000)
204	64757A	MEDICAL CHEMICAL DEFENSE LIFE SPT MAT	9,204		9,204
205	64758A	DRUG AND VACCINE DEVELOPMENT	10,563		10,563
206	64766A	TACTICAL ELECTRONIC SURVEILLANCE	[ ]	(5,000)	(5,000)
207	64770A	JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM	27,882	0	27,882
208	64779A	JT INTEROP OF TAC CMD & CONT SYS (JINTACCS)	7,719		7,719
209	65710A	JT CB POINT OF CONTACT, TEST AND ASSESSMENT	6,249		6,249
210	23724A	HV ANTI-TANK ASSAULT WPN SYS (TOW)	12,468	(7,468)	5,000
211	23726A	ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	40,444	(10,444)	30,000
212	23727A	MED ANTI-TANK ASSAULT WEAPON - DRAGON	0		0
213	23730A	CHAPARRAL	5,627		5,627
214	23731A	SAM HAWK/HAWK IMP PROG	10,633		10,633
215	23735A	COMBAT VEHICLE IMPROVEMENT PROGRAM	79,203	(29,203)	50,000
216	23739A	AN/TSQ-73 MODIFICATIONS	9,671		9,671
217	23740A	MANEUVER CONTROL SYSTEM	9,401		9,401
218	23741A	PROD IMPR VULCAN AIR DEF SYS	0		0
219	23743A	155MM	35,726		35,726
220	23744A	AIRCRAFT MODIFICATIONS	0		0
221	23745A	EQUIPMENT UPGRADE	23,343		23,343
222	23746A	PATRIOT PRODUCT IMPROVEMENT PROGRAM	40,221	(40,221)	0
223	23747A	HELLFIRE PRODUCT IMPROVEMENT PROGRAM	11,947	(6,947)	5,000
224	23749A	MLRS PRODUCT IMPROVEMENT PROGRAM	0		0
225	23751A	SPECIAL OPERATIONS FORCES (SOF) EQUIPMENT	31,242	(6,000)	25,242
226	23752A	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	14,592	(1,000)	13,592
227	28010A	JOINT TACTICAL COMMO PROGRAM (TRITAC)	17,401	(2,000)	15,401
228	33145A	EUCOM C3 SYSTEMS	1,078		1,078
		CLASSIFIED PROGRAMS	616,824		616,824
		——Subtotal, TACTICAL PROGRAMS	2,440,170	(737,246)	1,702,924
229	63712A	MAPPING AND GEODESY	0		0
230	64201A	AIRCRAFT AVIONICS	2,493		2,493
231	64716A	MAPPING AND GEODESY	11,473		11,473
232	64778A	NAVSTAR GLOBAL POS SYS (USER EQ)	4,719		4,719
233	31307A	FOREIGN SCIENAE AND TECHNOLOGY CENTER	[ ]		[ ]
234	31318A	HUMINT (CONTROLLED)	[ ]		[ ]
235	31327A	TECHLICAL RECONNAISSANCE AND SURVEIL	[ ]		[ ]
236	31329A	EUCOM CSIC DESIGN	0		0
237	31359A	SPECIAL ARMY PROGRAMS	[ ]		[ ]
238	33111A	STRATEGIC ARMY COMMUNICATIONS (STARCOM)	0		0
239	33126A	LONG-HAUL COMMUNICATIONS (DCS)	2,684		2,684
240	33142A	SATCOM GROUND ENVIRONMENT	94,478	(15,000)	79,478
241	33401A	COMMUNICATIONS SECURITY (COMSEC)	7,280		7,280
		CLASSIFIED PROGRAMS	21,175		21,175
		—Subtotal, INTELLIGENCE AND COMMUNICATIONS	130,420	(15,000)	115,420

ARMY RESEARCH AND DEVELOPMENT FY 1987

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
242	63315A	TARGET MISSILES	9,731	(2,000)	7,731
243	63738A	NONSYSTEMS TRAINING DEVICES (NSTD) DEV	3,869		3,869
244	63790A	NATO RESEARCH AND DEVELOPMENT	49,356	(49,356)	0
245	64715A	NON-SYSTEM TNG DEVICES ENGR	46,260	(3,000)	43,260
246	64726A	METEOROLOGICAL EQUIPMENT AND SYSTEMS	1,207		1,207
247	65201A	AVIATION ENGINEERING FLIGHT ACTIVITY	13,217	(1,000)	12,217
248	65301A	KWAJALEIN MISSILE RANGE	163,470	(8,000)	155,470
249	65502A	QML BUSINESS INNOVATIVE RESEARCH	0		0
250	65702A	SUPPORT OF DEVELOPMENT TESTING	50,444		50,444
251	65706A	MATERIEL SYSTEMS ANALYSIS	16,966	(1,000)	15,966
252	65709A	EXPLOITATION OF FOREIGN ITEMS	3,984		3,984
253	65712A	SUPPORT OF OPERATIONAL TESTING	55,745		55,745
254	65716A	THREAT SIMULATORS FOR TESTING	34,279		34,279
255	65717A	NUCLEAR SURVIVABILITY TESTING & ANALYSIS	3,950	(3,950)	0
256	65801A	PROGRAM-WIDE ACTIVITIES	85,484		85,484
257	65802A	INTL COOPERATIVE RESEARCH AND DEV	977	(977)	0
258	65803A	TECHNICAL INFO ACTIVITIES	6,772		6,772
259	65804A	AMC MAJOR RANGES AND TEST FACILITIES	207,799		207,799
260	65805A	MUNITIONS STANDARDZION EFFECTIVENESS & SAFETY	11,610	(1,000)	10,610
261	65806A	DOD HIGH ENERGY LASER SYSTEMS TEST FAC	20,729		20,729
262	65810A	RDTE SUPPORT FOR NON-DEVELOPMENTAL ITEMS	9,194		9,194
263	65872A	PRODUCTIVITY INVESTMENTS	53,893	(10,000)	43,893
264	65894A	REAL PROPERTY MAINTENANCE (RDT&E)	174,536	(17,000)	157,536
265	65896A	BASE OPERATIONS (RDT&E)	202,951	(20,000)	182,951
266	65898A	MGT HQ (RESEARCH/DEVELOPMENT)	11,244		11,244
267	78011A	INDUSTRIAL PREPAREDNESS	29,105		29,105
		—Subtotal, DEFENSEWIDE MISSION SUPPORT	1,266,772	(117,283)	1,149,489
		COMBAT VEHICLE DIESEL ENGINE	0	9,000	9,000
		TANK BREAKER	0	20,000	20,000
		GUARD/RESERVE UNIQUE R&D	0	5,000	5,000
		LIGHT ARMORED VEHICLE/WEASEL EVALUATION	0	10,000	10,000
		MINE FLAIL WHEELED VEHICLE	0	10,000	10,000
		ACTIVATED METALS	0	1,000	1,000
		GROUND LAUNCHED HELLFIRE	0	2,000	2,000
		STINGER SYSTEM SAFEGUARD	0	1,000	1,000
		NATO COOPERATIVE R&D	0	31,000	31,000
		INFANTRY ANTI-ARMOR WEAPON	0	25,000	25,000
		TACTICAL RPV EVALUATION	0	10,000	10,000
		QUIET GENERATORS	0	5,000	5,000
		FIBER OPTICS GUIDED MISSILES	0	83,313	83,313
		HELICOPTER AIR TO AIR MISSILE	0	10,000	10,000
		CLOSE IN AIR DEFENSE	0	10,000	10,000
		US-10 EVALUATION	0	2,000	2,000
		MILAN II EVALUATION	0	20,000	20,000
		MULTI-PURPOSE ASSAULT WEAPONS EVALUATION	0	25,000	25,000
		—Subtotal, CONVENTIONAL DEFENSE INITIATIVES	0	279,313	279,313
		CLASSIFIED EQUIPMENT UPGRADE	0	10,000	10,000
		COOPERATIVE DOD/VA MEDICAL RESEARCH	0	10,000	10,000
		GENERAL REDUCTION		(23,534)	(23,534)
		PRIOR YEAR FUEL SAVINGS		(830)	(830)
		FY 87 FUEL SAVINGS		(9,100)	(9,100)
		TOTAL ARMY RDT&E	5,550,300	(732,236)	4,818,064

RDT&E - NAVY
(In thousands of dollars)

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
001	61103N	UNIVERSITY RESEARCH	12,068		12,068
002	61152N	INHOUSE IND LAB RSRCH	26,918		26,918
003	61153N	DEF RESRCH SCIENCES	349,853		349,853
004	62111N	AAW/ASUW TECHNOLOGY	75,244	(15,244)	60,000
005	62113N	ELECTRONIC WARFARE TECHNOLOGY	13,946	(13,946)	0
006	62121N	SURFACE SHIP TECHNOLOGY	13,515	(13,515)	0
007	62122N	AIRCRAFT TECHNOLOGY	21,111	(1,111)	20,000
008	62131M	MARINE CORPS AIR-GROUND TECHNOLOGY	17,628		17,628
009	62232N	COMMAND,CONTROL & COMMUNICATIONS TECHNOLOGY	20,242		20,242
010	62233N	MISSION SUPPORT TECHNOLOGY	34,238		34,238
011	62234N	SYSTEMS SUPPORT TECHNOLOGY	65,799		65,799
012	62314N	ASW TECHNOLOGY	90,060	(10,060)	80,000
013	62315N	MINE & SPECIAL WARFARE	14,038		14,038
014	62323N	SUBMARINE TECHNOLOGY	12,441		12,441
015	62324N	NUCLEAR PROPULSION	43,876	(10,876)	33,000
016	62435N	OCEAN & ATMOSPHERIC SUPPORT TECHNOLOGY	25,354		25,354
017	62936N	INDEPENDENT EXPLORATORY DEVELOPMENT	14,717		14,717
		Subtotal, TECHNOLOGY BASE	851,048	(64,752)	786,296
018	63202N	AVIONICS	3,858		3,858
019	63210N	ADV AIRCRAFT PROPULSION SYS	6,638		6,638
020	63217N	ADV A/C SUB SYSTEMS	7,944	(1,966)	5,978
021	63269N	NATIONAL AEROSPACE PLANE	25,527		25,527
022	63303N	ERASE SYS TECH	6,486	2,500	8,986
023	63308N	A/S-A/A MSL TECH	0		0
024	63508N	SHIP PROPULSION SYSTEM	22,474	(22,474)	0
025	63526N	ADV COMP TECH	0		0
026	63560N	SUBMARINE HULL ARRAY DEV (ADV)	8,891		8,891
027	63573N	ELECTRIC DRIVE	9,816		9,816
028	63701N	HUMAN FACTORS ENG (HFE)	3,964		3,964
029	63706N	MEDICAL DEVELOPMENT	16,700		16,700
030	63707N	MNPWR & PERSONNEL SYS	6,658		6,658
031	63712N	GENERIC LOGISTICS R&D TECH DEMO	21,236	(11,236)	10,000
032	63720N	EDUCATION AND TRAINING	6,536		6,536
033	63732M	ADV MANPWR TRNG SYS	1,837		1,837
034	63733N	SIMU & TRAINING DEVICES	8,218		8,218
035	63739N	NAVY LOGISTICS PRODUCTIVITY	934	(934)	0
036	63747N	ADV ASW TECH	25,063	10,000	35,063
037	63792N	ADV TECH TRANSITION	13,492		13,492
		Subtotal, ADVANCED TECHNOLOGY DEVELOPMENT	196,272	(24,110)	172,162
038	63451N	TACT SPACE OPERATIONS	22,506		22,506
039	63588N	SSBN SURVIVABILITY	2,703		2,703
040	63735N	WWMCCS ARCHITECTURE SUPPT	0		0
041	63741N	SATELLITE LASER COMM	5,875	30,000	35,875
042	64363N	TRIDENT II	1,632,866	(132,866)	1,500,000
043	65856N	STRAT TECH SUPPORT	3,914		3,914
044	11221N	FLT BALLSTC MIS SYS	40,222	(15,222)	25,000
045	11224N	SSBN SEC TECH PROG	54,739		54,739
046	11228N	TRIDENT	51,783	(10,783)	41,000
047	11401N	EXTRME LOW FREQ COMM	18,296	(10,296)	8,000
048	11402N	NAVY STRATEGIC COMM	143,282	(68,282)	75,000

RDT&E - NAVY

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
049	12427N	NAV SPASUR	1,563		1,563
050	33131N	MEECN	1,687		1,687
051	33152N	WIS MODERNIZATION	21,610	(14,433)	7,177
		——Subtotal, STRATEGIC PROGRAMS	2,001,046	(221,882)	1,779,164
052	63109N	INTEGRATED A/C AVIONICS	22,484		22,484
053	63206N	ELECT W/F ADV. DEV.	39,294	(39,294)	0
054	63207N	AIR/OCEAN TACT. APPLIC.	7,522		7,522
055	63208N	T-45/TS	134,163		134,163
056	63216N	AIRBRNE LIFE SUPT SYS	4,377		4,377
057	63219N	ADV AIRCFT ARMAMENT SYS	0		0
058	63228N	CV ASW MODULE	4,255		4,255
059	63251N	AIRCRAFT SYSTEMS	5,547	(5,547)	0
060	63254N	AIR ASW	9,131	(3,500)	5,631
061	63256N	JVX	0		0
062	63257N	A-6F	143,256	(13,256)	130,000
063	63259N	ACOUSTIC SEARCH SENSORS	0		0
064	63260N	ABN MINE CNTRMEASURES	11,565		11,565
065	63261N	TAC AIR RECONN	18,042	(4,000)	14,042
066	63262N	ACFT SURVIV/VULNERABILITY	19,054		19,054
067	63268N	NAVAL AIRSHIP	9,834	(9,834)	0
068	63306N	ADV. AIR-TO-SURF MSL.	42,409	(42,409)	0
069	63313N	IRR MAVERICK	245	(245)	0
070	63315N	RETRACT YELLOW	0		0
071	63318N	ADV AIR-AIR SURF-AIR MSL	79,728	(79,728)	0
072	63320N	LOW COST ANTI-RADIATION SEEKER	14,704	25,000	39,704
073	63367N	SUB ASW STANDOFF WPN	0		0
074	63382N	BGAAWC	13,746	(6,746)	7,000
075	63502N	SURFACE MCM	22,670	(5,000)	17,670
076	63504N	SUB SONAR DEV	11,109		11,109
077	63506N	SURF-SHIP TORPEDO DEFNS	36,908		36,908
078	63509N	SHPBD INFO TRANSFER SYS	0		0
079	63512N	CATAPULTS	0		0
080	63513N	SHIPBRD SYS COMPNT DEV	14,917		14,917
081	63514N	SHIPBRD DAMAGE CONTROL	41,861		41,861
082	63519N	ADV COMMAND DATA SYS	0		0
083	63522N	SUB ARCTIC WF/SPT EQUIP PROG	2,946		2,946
084	63525N	PILOT FISH	75,240		75,240
085	63527N	RETRACT LARCH	0		0
086	63528N	NONACOUSTIC ASW	26,139		26,139
087	63529N	ADV ASW TARGET	10,282		10,282
088	63532N	SHIP SYS ENGR STDS	0		0
089	63536N	RETRACT JUNIPER	28,935		28,935
090	63542N	RADIOLOGICAL CONTROL	2,592		2,592
091	63550N	LINK DOGWOOD	3,931	(2,931)	1,000
092	63553N	SURFACE ASW	23,160	(11,584)	11,584
093	63561N	ADV SUB SYS DEVELOPMENT	0		0
094	63562N	SUB TAC WARFARE SYS	10,609		10,609
095	63564N	SHIP DEVELOPMENT	21,606	(7,606)	14,000
096	63565N	SURFACE SHIP NAVSYS	6,675	(6,675)	0
097	63569N	ATTACK SUBMARINE DEV	3,931	(3,931)	0
098	63570N	ADV NUC REACTOR COMP SYS DEV	96,037		96,037
099	63571N	PHYSICAL SECURITY	7,686		7,686

RDT&E - NAVY

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
100	63576N	CHALK EAGLE	79,351		79,351
101	63570N	A4W/A1G NUC PROP PLANT	3,410		3,410
102	63582N	COMBAT SYS INTEGRATION	24,051	(24,051)	0
103	63589N	DDG-51	0		0
104	63591N	JOINT ADVANCED SYSTEMS	78,680	(78,680)	0
105	63592N	SEA STAR	0		0
106	63601N	MINE DEVELOPMENT	14,836		14,836
107	63602N	CHALK PINE	43,711		43,711
108	63609N	CONVENTIONAL MUNITIONS	40,882		40,882
109	63610N	ALWT (ADV)	7,434	(7,434)	0
110	63611M	MC ASSAULT VEHICLES	11,005		11,005
111	63634N	TAC NUCLEAR WEAPON DEV	15,151		15,151
112	63635M	MC GND COMBAT/SPT SYS	18,249	(3,000)	15,249
113	63654N	JT SERV EXPL ORDN DEV	14,791		14,791
114	63702N	OCEAN ENG SYS DEV	1,417		1,417
115	63704N	ASW OCEANOGRAPHY	7,065		7,065
116	63705N	LOGISTICS	0		0
117	63708N	ASW SIGNAL PROCESSING	17,988		17,988
118	63709N	ADV MARINE BIO SYSTEM	5,385		5,385
119	63711N	FLEET TAC D&E PROGRAM	4,649		4,649
120	63713N	OCEAN ENG TECH DEV	16,373		16,373
121	63717N	COMMAND AND CONTROL SYS	36,525	(5,000)	31,525
122	63719N	CONTAINER OFFLD/TRNSFR SYS	5,602		5,602
123	63722N	NAVAL SPECIAL WARFARE	15,637		15,637
124	63724N	NAVY ENERGY PROGRAM	16,833		16,833
125	63725N	FACILITIES IMPROVEMENT	9,476		9,476
126	63726N	MEMBSHIP NAV AIR PROG	6,014	(3,000)	3,014
127	63729M	COMBAT SERVICES SUP (ADV)	15,857		15,857
128	63730M	MC INTEL/ELC WAR SYS	0		0
129	63734N	CHALK CORAL	14,694		14,694
130	63736N	STRIKE WARFARE TECH	0		0
131	63737N	LINK HAZEL	37,566		37,566
132	63740N	LINK LAUREL	47,088	(41,600)	5,488
133	63743N	ARIADNE	11,240		11,240
134	63744N	LINK SPRUCE	94,272	(64,272)	30,000
135	63746N	RETRACT MAPLE	20,782		20,782
136	63763N	NCCS SE&I	12,599		12,599
137	63784N	ASW SURVEILLANCE	25,982		25,982
138	63785N	ASW ENVIRONMENTAL ACOUSTIC SPT	12,764		12,764
139	63787N	SPECIAL PROCESSES	41,466		41,466
140	63788N	RDSS	0		0
141	64203N	STANDARD AVIONICS DEVELOPMENT	19,432	(16,692)	2,740
142	64211N	IFF SYS DEV	23,449		23,449
143	64212N	LAMPS	19,712		19,712
144	64213N	HELO DEV	11,084		11,084
145	64214N	AV-8B AIRCRAFT (ENG)	48,639	16,000	64,639
146	64215N	SUPPORT EQUIP	32,492		32,492
147	64217N	S-3 WEAPONS SYS IMPRVMNT	15,644		15,644
148	64218N	AIR OCEAN EQUIP ENG	3,294		3,294
149	64219N	AIRBORNE ASW DEV	2,266		2,266
150	64220N	ACFT IR SIGNATURE SUPPR	0		0
151	64221N	P-3 MODERNIZATION PROG	96,877	(19,667)	77,210
152	64224N	ASW SW ENG.	55,973	(55,973)	0
153	64226N	ASPJ	19,947	(19,947)	0

RDT&E - NAVY

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
154	64229N	CV II ASW HELO	8,062		8,062
155	64252N	A/C PROPULSION (ENG)	27,500		27,500
156	64255N	EW SIMULATOR DEVELOPMENT	51,896	(11,896)	40,000
157	64260N	C/MH-53E	3,464	(1,853)	1,611
158	64261N	ACOUSTIC SRCH SENSORS (ENG)	56,761		56,761
159	64262N	V-22	386,871	(216,871)	170,000
160	64264N	AVIATION LIFE SPT SYS	29,705		29,705
161	64268N	ACFT ENGINE COMPNT IMP	65,183	(5,183)	60,000
162	64301N	MK-92 FCS UPGRADE	7,808	(7,808)	0
163	64303N	AEGIS AREA AIR DEF	4,312		4,312
164	64307N	AEGIS WPN SYS IMP	134,939	(24,939)	110,000
165	64308N	LINK ASH	8,846		8,846
166	64309N	SEA LANCE	118,416	(3,416)	115,000
167	64314N	AMRAAM	19,022	(19,022)	0
168	64352N	SUR LNCHD WEAPNRY SHIP SYS	0		0
169	64353N	VERTICAL LAUNCHING SYS	20,388		20,388
170	64354N	AIR/AIR MSL SYS ENGR	27,906	5,000	32,906
171	64355N	VLS ASROC	41,669		41,669
172	64358N	CLOSE-IN WPN (PHALANX)	7,493		7,493
173	64361N	NATO SEA SPARROW	7,745	(7,745)	0
174	64365N	SM-2 (N)	9,229	(9,229)	0
175	64366N	STNDRD MISSILE IMPRVMNTS	45,988		45,988
176	64367N	TOMAHAWK	68,368		68,368
177	64369N	5 IN. ROLLING AIR FRM MSLE	24,210	(24,210)	0
178	64370N	SSN-688 CLASS VLS	18,344		18,344
179	64371N	HELLFIRE	0		0
180	64372N	NEW THREAT UPGRADE	50,899		50,899
181	64502N	SUBMARINE COMMUNICATIONS, (S1411)	25,979	(18,602)	7,377
182	64503N	SUBMARINE SONAR DEV	52,716		52,716
183	64504N	AIR CONTROL ENG	9,207		9,207
184	64506N	CW COUNTERMEASURES	7,799		7,799
185	64507N	EMSP	100,345	(4,000)	96,345
186	64508N	RADAR SURVEILLANCE EQUIP	9,321		9,321
187	64510N	COMMUNICATION SYSTEMS	0		0
188	64511N	INTELLIGENCE SYSTEMS	0		0
189	64515N	SUB SPT EQUIP PROG	32,265	(15,000)	17,265
190	64516N	SHIP SURVIVABILITY	9,194		9,194
191	64518N	CMBT INFO CNTR CONVERSN	36,727		36,727
192	64520N	SUBMARINE HULL ARRAY DEV	0		0
193	64524N	SUB COMBAT SYSTEMS	316,649		316,649
194	64561N	SSN-21 DEVELOPMENT	256,668	(6,668)	250,000
195	64562N	SUB TACT WARFARE SYS	47,101	(7,101)	40,000
196	64563N	PHYSICAL SECURITY (ENG)	9,015		9,015
197	64567N	SHIP SUBSYS DEV/LBTS	18,822		18,822
198	64569N	NATO SEA GNAT	0		0
199	64573N	SHIPBD ELEC WARFR IMPRV	51,932	(51,932)	0
200	64574N	STD EMBEDDED COMPUTER RSRCS	32,469	(32,469)	0
201	64575N	SQS-53C	26,514		26,514
202	64578N	LINK BIRCH	3,927		3,927
203	64601N	MINE DEVELOPMENT	13,740		13,740
204	64602N	NAVAL GUNNERY IMPROVEMENT	17,428	(5,428)	12,000
205	64603N	UNGUID CONVL AIRLNCH WEP	5,626		5,626
206	64604N	CHEM WARFARE WEAPONS	4,000		4,000

RDT&E - NAVY

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
207	64608N	SAL GP/EO SENS DEV	21,156	(21,156)	0
208	64609N	BOMB-FUZE IMPR	14,711		14,711
209	64610N	MK-50 TORP (ALWT)	148,825		148,825
210	64654N	JT SERV EOD DEV (ENG)	5,420		5,420
211	64656M	MC ASSAULT VEHCLE	0		0
212	64657M	MC GRND CMBT/SPT ARMS	12,541		12,541
213	64675N	MK 48 ADCAP (ENG)	37,895		37,895
214	64704N	ASW OCEANOGRAPHIC EQUIP	1,162		1,162
215	64705N	CHALK BANYAN	16,600		16,600
216	64707N	THEATER MISSION PLAN CTR	22,275	(12,275)	10,000
217	64708N	INITIAL TRAINERS ACQUISITION	84,621	(84,621)	0
218	64710N	NAVY ENERGY PROGRAM	9,044		9,044
219	64711N	NCCS ASHORE NODES	53,029		53,029
220	64713N	SURF ASW SYS IMP	36,860	(18,430)	18,430
221	64714N	AIR W/F TRNG DEV	1,964		1,964
222	64715N	SURFACE W/F TRNG DEV	28,631		28,631
223	64716N	SUB W/F TRNG DEV	0		0
224	64717M	COMBAT SERVICES SPT	5,465		5,465
225	64718M	MC INTEL/ELEC WAR SYS	9,546		9,546
226	64719M	MC CMD/CNTRL/COMM SYS	16,005	(8,000)	8,005
227	64720M	TACAIR OPER CENT 85	0		0
228	64725N	REGIONAL TAC SURV	40,971		40,971
229	64761N	INTELLIGENCE (ENG)	6,460		6,460
230	64771N	MEDICAL DEV (ENG)	2,997		2,997
231	64779N	JT INTEROP TAC CMD/CNTRL	3,586		3,586
232	64780M	JT INTEROP TAC CMD/CNTRL MC	3,471		3,471
233	65155N	FLEET TAC DEV/EVAL	16,590		16,590
234	65803N	ELECTROMAGN SPECTRUM MGT	5,873		5,873
235	65853N	MNGMNT AND TECH SPT	14,296		14,296
236	65867N	C2 SUR/ RECON SUP	5,342		5,342
237	65871M	MC TAC EXPLOIT NAT CAP	849		849
238	24134N	A-6 SQUADRONS	13,820	(5,820)	8,000
239	24136N	F/A-18 SQUADRONS	59,093	(24,093)	35,000
240	24152N	ERLY WRNG ACFT SQDRNS	34,454		34,454
241	24161N	AVIATION SPT CVW	2,221		2,221
242	24163N	FLEET TCC (TAC), (X0725)	63,733	(18,835)	44,898
243	24281N	SUBMARINES	0		0
244	24311N	UNDERSEA SURVEIL SYS	34,198		34,198
245	24313N	SURTASS	5,833		5,833
246	24571N	SPECIAL PROJECTS	10,500		10,500
247	24573N	COVER AND DECEPTION PROG	15,066		15,066
248	24575N	EW READINESS SUPPORT	4,421	(4,421)	0
249	24576N	COUNTER C3 DEV	23,952	(23,952)	0
250	25601N	HARM IMPROVEMENTS	3,931	(3,931)	0
251	25604N	TACTICAL INFO SYS	48,071	(33,071)	15,000
252	25620N	ASW CMBT SYS INTEGRATION	17,409	(7,409)	10,000
253	25633N	ACFT EQ RELIABLTY/MAINT PROG	8,846	(6,789)	2,057
254	25634N	SUB SILENCING	0		0
255	25658N	LAB FLEET SUPPORT	6,056		6,056
256	25667N	F-14 UPGRADE	268,421	(28,421)	240,000
257	25670N	TAC INTELL PROCESSING	2,160		2,160
258	25674N	EW COUNTER RESPONSE	69,708	(69,708)	0
259	25675N	OPERATIONAL REACTOR DEV	18,872		18,872
260	26313M	MAR CORPS TELECOM	11,644	(2,949)	8,695

RDT&E - NAVY

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
261	26623M	MC GRD COMBAT/SUP ARMS SYS	67,934		67,934
262	26624M	MC COMBAT SERVICES SPT	2,548		2,548
263	26625M	MC INTEL/ELEC WAR SYS	24,822	(6,000)	18,822
264	26626M	MC CMD/CNTL/COMM SYS	39,925	(13,756)	26,169
265	26627M	MC TECH SUPP C/C SYS	7,471		7,471
266	28010M	TRI TAC MC	6,959		6,959
267	28010N	TRI TAC NAVY	0		0
		Subtotal, TACTICAL PROGRAMS	6,035,049	(1,402,611)	4,632,438
268	63518N	ADV NAVIGATION DEVEL	0		0
269	64514N	NAVIGATION SYSTEMS	641		641
270	64577N	EHF SATCOM	53,141		53,141
271	64777N	NAVSTAR GPS	76,513		76,513
272	65866N	C2 SYS PLANNING/ENGR SPT	0		0
273	31303N	FIELD OP INTELL OFF	[ ]		[ ]
274	31326N	PRAIRIE SCHOONER	[ ]		[ ]
275	31327N	TECH RECON AND SURV	[ ]	(1,750)	(1,750)
276	33109N	SATELLITE COMM	11,753		11,753
277	33401N	COMMUNICATIONS SECURITY	[ ]		[ ]
278	33603N	MILSTAR JOINT PROJ OFC TERMINAL	4,198		4,198
279	34111N	SPECIAL ACTIVITIES	[ ]	(20,000)	(20,000)
		CLASSIFIED PROGRAMS	548,784		548,784
		Subtotal, INTELLIGENCE AND COMMUNICATIONS	695,030	(21,750)	673,280
280	63721N	ENVIRONMENTAL PROTECT	8,720		8,720
281	63790N	NATO COOPERATIVE	49,091	(49,091)	0
282	64208N	RANGE INSTRMNTATN SYS DEV	11,347		11,347
283	64258N	TARGET SYS DEV	111,690	(21,690)	90,000
284	64703N	PERS TRNG, SIMULATION & HUMAN FACTORS	6,823		6,823
285	65151M	STUDIES ANALYSIS SPT—MC	1,811		1,811
286	65152N	STUDIES ANALYS SPT—NAVY	8,031		8,031
287	65153M	MC OPS ANALYS GP-CNA	4,068		4,068
288	65154N	CNTR FOR NAV ANALYSIS	18,603		18,603
289	65156M	MC OPERATNL TEST/EVAL	1,751		1,751
290	65502N	SBIR	0		0
291	65804N	TECH INFO SERVICES	2,543		2,543
292	65852N	AUTEC	0		0
293	65854M	DEVEL CENTER SUPPORT	5,300		5,300
294	65857N	INTERNATIONAL RDT/E	3,687		3,687
295	65859N	MOBILE SEA RANGE	0		0
296	65861N	RDTE LAB/FAC MGT SPT	54,974	(4,974)	50,000
297	65862N	RDTE INSTRUMNTN/MAT SPT	19,789		19,789
298	65863N	RDTE SHIP/AIRCFT SPT	81,335		81,335
299	65864N	TEST/EVAL SPT	330,580		330,580
300	65865N	OPER TEST/EVAL CAPABLTY	6,853		6,853
301	35111N	WEATHER SERVICE	1,000		1,000
302	35160N	DEF METEOR SATEL PROG	49,040	(10,000)	39,040
303	78011N	MANUFACTURING TECHNOLOGY	31,319		31,319
		Subtotal, DEFENSEWIDE MISSION SUPPORT	808,355	(85,755)	722,600

RDT&E - NAVY

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
		NATO COOPERATIVE	0	30,000	30,000
		SENSOR UPGRADES	0	30,000	30,000
		ENGAGEMENT IMPROVEMENTS	0	35,000	35,000
		ADVANCED AAW WEAPONS SYSTEM	0	25,000	25,000
		ELECTRO/OPTICAL SYSTEMS	0	15,000	15,000
		SMALL ROTARY ENGINE, RPV	0	1,000	1,000
		MARINE CORP LIGHT WEIGHT AIR DEFENSE GUN	0	7,000	7,000
		Subtotal, CONVENTIONAL DEFENSE INITIATIVES	0	143,000	143,000
		INTEGRATED PLATFORM COMM DEVEL	0	69,021	69,021
		COOPERATIVE DOD/VA MEDICAL RESEARCH	0	10,000	10,000
		GENERAL REDUCTION	0	(10,000)	(10,000)
		V-22 ENGINE TECHNOLOGY	0	40,000	40,000
		FLOATING BEAM AVIONICS RACK	0	10,000	10,000
		RACER	0	20,000	20,000
		NAVY LESSONS LEARNED LIBYA	0	50,000	50,000
		PRIOR YEAR FUEL SAVINGS	0	(72)	(72)
		FY 87 FUEL SAVINGS	0	(800)	(800)
		TOTAL NAVY RDT&E	10,586,800	(1,489,711)	9,097,089

AIR FORCE RESEARCH AND DEVELOPMENT FISCAL YEAR 1987
(In thousands of dollars)

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
001	61101F	IN-HOUSE LAB INDEPENDENT RESEARCH	17,465		17,465
002	61102F	DEFENSE RESEARCH SCIENCES	212,587		212,587
003	61103F	UNIVERSITY RESEARCH INITIATIVES	12,530		12,530
004	62101F	GEOPHYSICS	40,625		40,625
005	62102F	MATERIALS	57,478	(1,500)	55,978
006	62201F	AEROSPACE FLIGHT DYNAMICS	70,281	(900)	69,381
007	62202F	AEROSPACE BIOTECHNOLOGY	53,371	(3,500)	49,871
008	62203F	AEROSPACE PROPULSION	65,552	(1,700)	63,852
009	62204F	AEROSPACE AVIONICS	67,826	(7,826)	60,000
010	62205F	TRAINING/SIMULATION TECH	26,802		26,802
011	62206F	CIVIL ENGINEERING & ENVIRONMENTAL QA	5,425		5,425
012	62302F	ROCKET PROPULSION	41,890		41,890
013	62601F	ADVANCED WEAPONS	37,070	(600)	36,470
014	62602F	CONVENTIONAL MUNITIONS	49,884	(7,884)	42,000
015	62702F	COMMAND/CONTROL/COMMUNICATION	79,678	(600)	79,078
016	62703F	PERS UTILIZATION TECH	9,806	(1,300)	8,506
		———Subtotal, TECHNOLOGY BASE	(25,810)	822,460	796,650
					0
017	63106F	LOGISTICS RESEARCH & DEV RQMTS	19,061	(7,061)	12,000
018	63109F	INTEGRATED EW SYSTEM ADV DEVELOPMENT	60,107	(60,107)	0
019	63202F	ACFT PROPULSION SUBSYS INTEGRATION	30,180		30,180
020	63203F	ADV AVIONICS FOR ACFT	49,835	(27,835)	22,000
021	63205F	FLT VEHICLE TECHNOLOGY	27,557		27,557
022	63208F	RECON SENSORS/PROCESSING TECHNOLOGY	6,064		6,064
023	63211F	AEROSPACE STRUCTURES/MATERIALS	31,512	(4,512)	27,000
024	63215F	AVIATION TURBINE FUEL TECHNOLOGY	10,432		10,432
025	63216F	ADV VURBINE ENGINE GAS GENERATOR	27,838	(2,000)	25,838
026	63217F	WEAPON SYSTEM POWER	3,544		3,544
027	63226F	DOD COMMON PROG LANGUAGE(ADA)ADV DEV	6,890		6,890
028	63227F	ADVANCED SIMULATOR TECHNOLOGY	5,054		5,054
029	63231F	CREW SYSTEMS TECHNOLOGY	15,905		15,905
030	63244F	ACFT NON-NUCLEAR SURVIVABILITY	2,470		2,470
031	63245F	ADV FIGHTER TECH INTEGRATION	30,679	(5,679)	25,000
032	63250F	LINCOLN LABORATORY	26,524	(1,524)	25,000
033	63253F	ADVANCED SYSTEM INTEGRATION DEMO	9,369	(9,369)	0
034	63259F	CARTOG APPLICATIONS-TAC & STRAT SYS	1,706		1,706
035	63269F	NATIONAL AEROSPACE PLANE TECHNOLOGY	33,490		33,490
036	63302F	SPACE & MSL ROCKET PROPULSION	12,911	(6,911)	6,000
037	63319F	ADVANCED TECHNOLOGY CRUISE MISSILE	0		0
038	63363F	HYPERVELOCITY MISSILE	9,609		9,609
039	63401F	ADVANCED SPACECRAFT TECH	14,373	(7,373)	7,000
040	63410F	SPACE SYS ENVIRON INTERACTIONS TECH	8,529	(5,000)	3,529
041	63424F	CRUISE MISSILE SURVEILLANCE TECH	16,850	(3,000)	13,850
042	63452F	VERY HIGH SPEED INTEGRATED CIRCUITS	132,897	25,000	157,897
043	63601F	CONVENTIONAL WEAPONS	30,903	(4,000)	26,903
044	63605F	ADVANCED RADIATION TECH	23,641		23,641
045	63704F	MANPOWER & PERSONNEL SYS TECH	2,370	(2,370)	0
046	63707F	WEATHER SYSTEMS	3,697	(300)	3,397
047	63718F	ELECTRONIC WARFARE TECHNOLOGY	0		0
048	63723F	CIVIL/ENVIRONMENTAL ENGR TECH	13,703	(500)	13,203
049	63726F	FIBER OPTICS DEVLOPMENT	2,841		2,841
050	63727F	ADVANCED COMMUNICATIONS TECHNOLOGY	1,926	(1,926)	0
051	63728F	ADVANCED COMPUTER TECHNOLOGY	10,491	(10,491)	0

AIR FORCE RESEARCH AND DEVELOPMENT FISCAL YEAR 1987

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
					0
052	63743F	ELECTRO-OPTICAL WARFARE	53,363	(53,363)	0
053	63745F	CHEMICAL WARFARE DEFENSE	5,149	(200)	4,949
054	63750F	COUNTER/COUNTERMEASURES -ADV DEV	7,612	(1,000)	6,612
055	63751F	TRAINING SYSTEMS TECHNOLOGY	2,411	(1,000)	1,411
056	63752F	DOD SOFTWARE ENGINEERING INSTITUTE	9,541	2,500	12,041
057	63789F	COMD/CNTRL/COMM ADV DEV	22,963	(16,047)	6,916
		—Subtotal, ADVANCED TECHNOLOGY DEVELOPMENT	(204,068)	579,929	375,861
058	63258F	COMMON STRATEGIC ROTARY LAUNCHER			
059	63311F	ADVANCED STRATEGIC MISSILE SYSTEMS	176,915	(51,915)	125,000
060	63312F	ADVANCED CONCEPTS	[ ]	(70,000)	(70,000)
061	63364F	SHORT RANGE ATTACK MISSILE II	164,702	(164,702)	0
062	63367F	STRATEGIC RELOCATABLE TARGET CAPABIL	985	(985)	0
063	63368F	AIR DEFENSE BATTLE MGT TECH	2,500	(2,500)	0
064	63369F	CRUISE MISSILE ENGAG SYS TECH	2,100	(2,100)	0
065	63716F	ATMOSPHERIC SURVEILANCE TECH	32,024	(28,024)	4,000
066	63735F	WWMCCS ARCHITECTURE	2,224		2,224
067	64421F	SPECIAL IMPROVEMENT PROJECTS	[ ]		[ ]
068	64226F	B-1B	118,652	(68,652)	50,000
069	64234F	COMMON STRATEGIC ROTARY LAUNCHER	14,591	(1,000)	13,591
070	64312F	ICBM MODERNIZATION	2,116,798	(541,300)	1,575,498
071	64326F	STRAT CONV STANDOFF CAPA(SCSC)	7,464		7,464
072	64361F	AIR LAUNCHED CRUISE MISSILE	6,065	(2,000)	4,065
073	64406F	SPACE DEFENSE SYS	277,957	(137,957)	140,000
074	64711F	SYSTEMS SURVIVABILITY (NUC AFFECTS)	13,515		13,515
075	11113F	B-52 SQUADRONS	0		0
076	11120F	ADVANCED CRUISE MISSILE	[ ]	(149,871)	[ ]
077	11135F	AIRCRAFT SURVIVABILITY ENHANCEMENTS	[ ]		[ ]
078	11142F	KC-135 SQUADRONS	3,941	(3,941)	0
079	11213F	MINUTEMAN SQUADRONS	67,526	(20,000)	47,526
080	11312F	PACCS/WWABNCP SYS EC-135 CL V MODS	14,798	(5,000)	9,798
081	11316F	SAC COMMUNICATIONS	610		610
082	12310F	NCMC - TW/AA SYSTEMS	32,935		32,935
083	12311F	NCMC - SPACE DEFENSE SYSTEMS	41,284		41,284
084	12313F	BALLISTIC MSL TAC WNG/ATK ASSES SYS	3,084		3,084
085	12323F	TW/AA INTERFACE NETWORK	0		0
086	12325F	JOINT SURVEILLANCE SYSTEM	3,509		3,509
087	12411F	SURVEILL RADAR STATIONS/SITES	25,004		25,004
088	12412F	DEW RADAR STATIONS	14,430		14,430
089	12417F	OVER-THE-HORIZON RADAR	33,877		33,877
090	12423F	BALLISTIC MSL EARLY WNG SYSTEM	16,225		16,225
091	12424F	SPACETRACK	16,461		16,461
092	12431F	DEFENSE SUPPORT PROGRAM	138,178	(20,000)	118,178
093	12432F	SLBM RADAR WARNING SYSTEMS	19,752	(2,000)	17,752
094	12433F	INTEGRATED OPER NUDETS DETECT SYS	31,346		31,346
095	12436F	COMD CTR PROCESS/DISPLAY SYS	27,027		27,027
096	12822F	LEO	[ ]		[ ]
097	32015F	NEACP/E-4B CL V MODS	0		0
098	33131F	MINIMUM ESSENTIAL EMER COMM NETWORK	92,527	(35,000)	57,527
099	33152F	WWMCCS INFORMATION SYSTEM	8,510		8,510
100	33154F	WWMCCS INFORMATION SYSTEM - JPMO	111,374		111,374
101	33601F	MILSTAR SAT COMM SYS (AF TERMINALS)	298,527	(20,527)	278,000
102	33603F	MILSTAR COMM SAT SYSTEM	493,357	(16,100)	477,257

AIR FORCE RESEARCH AND DEVELOPMENT FISCAL YEAR 1987

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
					0
103	35155F	THEATER NUC WPN STORAGE&SEC SYS	0		0
104	35172F	BERNIE	[ ]		[ ]
105	35892F	SPECIAL ANALYSIS ACTYS	[ ]		[ ]
106	41123F	MILITARY AIRLIFT GROUP (IF)	8,963	(8,963)	0
		CLASSIFIED PROGRAMS	2,636,868		2,636,868
		Subtotal, STRATEGIC PROGRAMS	7,076,605	(1,352,537)	5,724,068
107	63230F	ADVANCED TACTICAL FIGHTER	294,099	(294,099)	0
108	63239F	UNMANNED AIR RECONNAISSANCE VEHICLE	3,940		3,940
109	63256F	CV-22A	4,920	(4,920)	0
110	63307F	AIR BASE SURVIVABILITY & RECOVERY	7,078		7,078
111	63320F	LOW COST SEEKER	14,775	2,600	17,375
112	63437F	HAVE DJINN	[ ]	(1,000)	[ ]
113	63607F	F-4 MODERNIZATION DEMOSTRATION	0		0
114	63609F	MILLIMETER WAVE SEEKERS	14,179	(14,179)	0
115	63714F	DOD PHYSICAL SECURITY EQ-EXTERIOR	984		984
116	63717F	TECHNICAL ON-SITE INSPECTION (TOSI)	9,850	(3,000)	6,850
117	63742F	COMBAT IDENTIFICATION TECHNOLOGY	6,314		6,314
118	63749F	C3CM ADVANCED SYSTEMS	4,512	(4,512)	0
119	63770F	JT SURV.TGT ATK RADAR SYS(JSTARS)	0		0
120	63801F	SPECIAL PROGRAMS	[ ]	(46,600)	[ ]
121	64201F	ACFT AVIONICS EQUIPMENT DEVELOPMENT	25,092	(4,000)	21,092
122	64209F	F-100 DURABILITY	0		0
123	64212F	AIRCRAFT EQUIPMENT DEV	4,862		4,862
124	64218F	ENGINE MODEL DERIVATIVE PROG	68,132	(6,000)	62,132
125	64219F	INTEGRATED DIGITAL AVIONICS	13,394	(13,394)	0
126	64220F	EW COUNTER RESPONSE	34,068	(34,068)	0
127	64222F	NUCLEAR WEAPONS SUPPORT	4,341		4,341
128	64223F	ALTERNATE FIGHTER ENGINE	109,376	(9,376)	100,000
129	64231F	C-17 PROGRAM	612,262	(25,000)	587,262
130	64232F	PAVE RUNNER	[ ]	160,000	[ ]
131	64236F	INFRARED SEARCH & TRACK SYS	34,846	(4,000)	30,846
132	64247F	MODULAR AUTOMATIC TEST EQUIPMENT	23,682		23,682
133	64249F	NIGHT PRECISION ATTACK	40,103	(30,103)	10,000
134	64250F	INTEGRATED EW/CNI DEVELOPMENT	0		0
135	64268F	ACFT ENGINE COMPONENT IMPROVE PROG	141,776	(10,776)	131,000
136	64302F	DEF SUPPRESSION WPNS ENG DEV	0		0
137	64313F	T-46A	10,756		10,756
138	64314F	ADV MED RANGE AIR-TO-AIR MSL	39,080	(80)	39,000
139	64315F	ADV SHORT RANGE AIR-TO-AIR MISSILE	386	(386)	0
140	64321F	JOINT TACTICAL FUSION PROGRAM	24,661		24,661
141	64327F	HARDENED TARGET MUNITIONS	15,115	(15,115)	0
142	64362F	GRD LAUNCHED CRUISE MSL	7,377	(7,377)	0
143	64601F	C/B DEFENSE EQUIPMENT	27,187	(2,000)	25,187
144	64602F	ARMAMENT ORDNANCE DEVELOPMENT (2586)	29,773	(15,435)	14,338
145	64604F	SUBMUNITIONS	4,921		4,921
146	64607F	WIDE-AREA ANTI-ARMOR MUNITION	15,102	24,000	39,102
147	64617F	AIR BASE SURVIVABILITY & RECOVERY	21,330	(1,000)	20,330
148	64703F	AEROMEDICAL SYSTEMS DEVELOPMENT	9,341		9,341
149	64706F	LIFE SUPPORT SYSTEM	12,396	3,000	15,396
150	64708F	OTHER OPERATIONAL EQUIPMENT	14,469	(3,900)	10,569
151	64710F	RECONNAISSANCE EQUIPMENT	9,540		9,540
152	64715F	DOD PHYSICAL SECURITY EQ-EXTERIOR	18,511		18,511

AIR FORCE RESEARCH AND DEVELOPMENT FISCAL YEAR 1987

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
153	64724F	TAC C3 COUNTER-MEASURES	24,636	(24,636)	0
154	64725F	COMBAT IDENTIFICATION SYSTEMS	12,012	(12,012)	0
155	64733F	SURFACE DEF SUPRESSION	44,119	(44,119)	0
156	64737F	AIRBORNE SELF-PROTECTION JAMMER	10,071	(10,071)	0
157	64738F	PROTECTIVE SYSTEMS	92,705	(92,705)	0
158	64739F	TACTICAL PROTECTIVE SYSTEMS	94,910	(94,910)	0
159	64740F	COMPUTER RESOURCES MGT TECH	12,957	(3,000)	9,957
160	64742F	PRECISION LOCATION STRIKE SYSTEM	26,601	(6,601)	20,000
161	64750F	INTELLIGENCE EQUIPMENT	10,417		10,417
162	64753F	COMBAT HELICOPTER MODERNIZATION	0		0
163	64754F	JT TAC INFO DIST SYS	0		0
164	64756F	SIDE LOOKING AIRBORNE RADAR (SLAR)	19,691		19,691
165	64770F	JSTARS	355,692	(355,692)	0
166	64779F	JT INTEROPERABILITY TAC COMD/CNTRL	9,866		9,866
167	11133F	SR-71 SQUADRONS	[ ]	(18,800)	[ ]
168	21131F	US READINESS COMD - COMM	0		0
169	27129F	F-111 SQUADRONS	35,236	(35,236)	0
170	27130F	F-15 SQUADRONS	208,988	(208,988)	0
171	27131F	A-10 SQUADRONS	0		0
172	27133F	F-16 SQUADRONS	81,323	(81,323)	0
173	27136F	F-4G WILD WEASEL SQUADRONS	38,698	(38,698)	0
174	27137F	CONSTANT HELP	[ ]		[ ]
175	27139F	COMPETITIVE FIGHTER PROCUREMENT	0		0
176	27162F	TACTICAL AGM MISSILES	2,377	(2,377)	0
177	27168F	F-111 SELF PROTECTION SYSTEMS	0		0
178	27215F	TR-1 SQUADRONS	23,509	(2,000)	21,509
179	27217F	FOLLOW-ON TAC RECCE SYS	30,583	(12,000)	18,583
180	27247F	AIR FORCE TENCAP	105		105
181	27411F	OVERSEAS AIR WEAPON CONT SYS	8,534	(4,000)	4,534
182	27412F	TACTICAL AIR CONTROL SYSTEM	19,261	(19,261)	0
183	27417F	AIR BORNE WARLING & CONTROL SYS	137,190	(60,000)	77,190
184	27419F	TACTICAL AIRBORNE CMD & CONTROL SYS	0		0
185	27423F	ADV COMM SYS	33,335	(33,335)	0
186	27431F	TAC AIR INTELL SYS ACTYS	492		492
187	27435F	TACTICAL RECON IMAGERY EXPLOITATION	831		831
188	27584F	SEEK AXLE	[ ]	(22,954)	[ ]
189	27585F	SEEK SPINNER	[ ]	25,000	[ ]
190	27591F	OMEGA	[ ]		[ ]
191	27595F	BASE COMM - TACTICAL AIR FORCES	3,207	(2,000)	1,207
192	28010F	JT TACTICAL COMM PROG (TRI-TAC)	11,425	(3,000)	8,425
193	28042F	HAVE FLAG	[ ]		[ ]
194	33605F	SATELLITE COMMUNICATIONS TERMINALS	4,615		4,615
195	35887F	ELECTRONIC COMBAT INTEL SPT	1,784		1,784
196	41115F	C-130 AIRLIFT SQUADRONS (IF)	0		0
197	41129F	THEME CASTLE	[ ]		[ ]
198	41314F	OPERATIONAL SUPPORT AIRLIFT	0		0
199	41840F	MAC COMMAND/CONTROL SYS	22,712	(12,000)	10,712
200	44011F	SPECIAL OPERATIONS FORCES	66,539		66,539
201	52610F	A-7 SQUADRONS (ANG)	4,531	(4,531)	0
		CLASSIFIED PROGRAMS	723,023		723,023
		———Subtotal, TACTICAL PROGRAMS	3,904,505	(1,539,969)	2,364,536

AIR FORCE RESEARCH AND DEVELOPMENT FISCAL YEAR 1987

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
202	63260F	INTELLIGENCE ADVANCED DEVELOPMENT	6,081		6,081
203	63261F	PAVE RUNNER ADVANCED DEVELOPMENT	[ ]		[ ]
204	63431F	SPACE COMMUNICATIONS	35,805	(2,000)	33,805
205	64238F	CONSTANT PISCES	[ ]	(78,798)	[ ]
206	64778F	NAVSTAR GPS USER EQUIPMENT	0		0
207	27169F	SEEK CLOCK	[ ]		[ ]
208	27582F	HAVE TRUMP	[ ]	(51,129)	[ ]
209	31305F	INTELLIGENCE PRODUCTION ACTIVITIES	[ ]		[ ]
210	31310F	FOREIGN TECHNOLOGY DIVISION	[ ]		[ ]
211	31314F	INFRARED PROCESSING + EXPLOITATION	[ ]		[ ]
212	31315F	MISSILE AND SPACE TECH COLLECTION	[ ]		[ ]
213	31317F	SENIOR YEAR OPERATIONS	[ ]		[ ]
214	31324F	FOREST GREEN	[ ]		[ ]
215	31357F	INTEG OPERATIONAL NUDETS DETECT SYS	[ ]		[ ]
216	32053F	NMCS-WIDE SUPPORT-COMMUNICATIONS	1,970		1,970
217	33110F	DEF SATELLITE COMM SYS	14,001	(6,000)	8,001
218	33126F	LONG-HAUL COMMUNICATIONS (DCS)	5,630		5,630
219	33128F	I-S/A AMPE SYSTEM	54,567	(19,567)	35,000
200	33144F	ELECTROMAG CMPATIBILITY ANAL CTR	7,670		7,670
221	33410F	COMMUNICATIONS SECURITY	[ ]		[ ]
222	34111F	SPECIAL AATIVITIES	1,793,491	(12,400)	1,781,091
223	35114F	TRAFFIC CNTRL/APPROACH/LANDING SYS	18,575	(12,536)	6,039
224	35159F	DEFENSE RECONN SUPPORT ACTIVITIES	[ ]	20,000	[ ]
225	35164F	NAVSTAR GLOBAL POS SYS (USER EQ)	45,024	(22,024)	23,000
226	35165F	NAVSTAR GPS (SPACE/GRD SEGMENTS)	44,362	(20,000)	24,362
227	84733F	GEN INTELLIGENCE SKILL TNG	4,788		4,788
		CLASSIFIED PROGRAMS	508,777		398,850
		—Subtotal, INTELLIGENCE AND COMMUICATIONS	2,540,741	(204,454)	0
228	63248F	CONCEPT DEVELOPMENT	3,214	(3,214)	0
229	63402F	SPACE TEST PROGRAM	73,692	(56,500)	17,192
230	63438F	SATELLITE SYS SURVIVABILITY	5,405	(5,405)	0
231	63790F	NATO COOPERATIVE R&D	49,249	(49,249)	0
232	64211F	ADV AERIAL TARGETS DEV	11,149		11,149
233	64227F	FLIGHT SIMULATOR DEVELOPMENT	102,736	(28,137)	74,599
234	64237F	VARIABLE IN-FLT TEST ACFT (VISTA)	8,680		8,680
235	44411F	SPACE SHUTTLE	0		0
236	64609F	P&M MATURATION/TECH INSERTION	18,031	(5,000)	13,031
237	64707F	WEATHER SYSTEMS	8,444		8,444
238	64735F	RANGE IMPROVEMENT	64,616	(3,000)	61,616
239	64747F	ELECTROMAG RADIATION TEST FACIL	5,686		5,686
240	64755F	IMPROVED CAPABILITY FOR RDT+E	89,518	(20,000)	69,518
241	65101F	PROJECT AIR FORCE	18,295	(500)	17,795
242	65304F	ACQ/COMD SPT - TELECOM	10,987		10,987
243	65306F	RANCH HAND II EPIDEMIOLOGY STUDY	7,384	(4,000)	3,384
244	65502F	SMALL BUSINESS INNOVATION DEV	0		0
245	65708F	NAV/RADAR/SLED TRACK TEST SPT	25,889	(5,000)	20,889
246	65806F	ACQUISITION AND COMMAND SUPPORT	285,063		285,063
247	65807F	TEST AND EVALUATION SPT	304,151	(35,000)	269,151
248	65808F	ADV SYS ENGINEERING/PLAN	23,144	(13,144)	10,000
249	65863F	RDT&E AIRCRAFT SUPPORT	62,404	(5,000)	57,404
250	65872F	PRODUCTIVITY INVESTMENTS	5,106	(2,106)	3,000

AIR FORCE RESEARCH AND DEVELOPMENT FISCAL YEAR 1987

LINE	P.E.	TITLE	FY-87	CHANGE	RECOMM
251	65874F	PRODUCT PERFORMANCE AGMT CNTR(PPAC)	1,157	(1,157)	0
252	65894F	REAL PROPERTY MAINT -RDT+E	140,310		140,310
253	65896F	BASE OPERATIONS (RDT+E)	110,268		110,268
254	35110F	SATELLITE CONTROL FACILITY	91,714	(15,000)	76,714
255	35119F	SPACE BOOSTERS	138,690	60,000	198,690
256	35130F	CONSOLIDATED SPACE OPERATIONS CENTER	93,664	(10,000)	83,664
257	35160F	DEF METEOROLOGICAL SATELLITE PROG	63,772		63,772
258	35171F	SPACE SHUTTLE OPERATIONS	175,867	(60,000)	115,867
259	38610F	INFORMATION MGMT AUTOMATION PROG	0		0
260	71112F	INVENTORY CONTROL POINT OPERATIONS	4,788		4,788
261	72207F	DEPOT MAINTENANCE (NON-IF)	487	(487)	0
262	78011F	INDUSTRIAL PREPAREDNESS	83,573	(20,000)	63,573
263	78026F	PRODUCT/RELIABLE/AVAIL/MAINTAIN PROG	31,405	(16,405)	15,000
264	78031F	LOGISTICS C3I SYSTEM	0		0
265	91215F	PRODUCTIVITY INVESTMENTS	0		0
266	92998F	MANAGEMENT HQS-ADP SUPPORT (AF)	0		0
267	01004F	INTERNATIONAL ACTIVITIES	2,744		2,744
		TAIL CONTROL SPARROW	0	30,000	30,000
		———Subtotal	(268,304)	1,852,978	1,584,674
					0
		NATO COOPERATIVE R&D	0	30,000	30,000
		MINE FLAIL WHEELED VEHICLE	0	5,000	5,000
		CONVENTIONAL ATTACK STANDOFF WEAPON	0	5,000	5,000
		—Subtotal, Conventional Defense Initiative		40,000	40,000
					0
		ADVANCED STRATEGIC WEAPON		148,000	148,000
		TACTICAL AIRCRAFT		450,000	450,000
		COOPERATIVE DOD/VA MEDICAL RESEARCH	0	15,000	15,000
		GENERAL REDUCTION		(15,000)	(15,000)
		PRIOR YEAR FUEL SAVINGS		(2,400)	(2,400)
		FY 87 FUEL SAVINGS		(26,800)	(26,800)
		GENERAL REDUCTION (PRIOR YEAR CARRYOVER)		(160,000)	(160,000)
		TOTAL AIR FORCE RDT&E	17,275,400	(3,146,342)	14,129,058

DEFENSE AGENCIES RESEARCH AND DEVELOPMENT FY 1987
(In thousands of dollars)

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
001	61101E	DEFENSE RESEARCH SCIENCES	95,900		95,900
002	61101W	IN-HOUSE LAB INDEPENDENT RESEARCH	2,021		2,021
003	61103D	UNIVERSITY RESEARCH INITIATIVES	0		0
004	61103E	UNIVERSITY RESEARCH	12,500		12,500
005	62101E	TECHNICAL STUDIES	0		0
006	62301E	STRATEGIC TECHNOLOGY	240,620	(10,000)	230,620
007	62702E	TACTICAL TECHNOLOGY	114,000		114,000
008	62707E	PARTICLE BEAM TECHOLOGY	15,500		15,500
009	62708E	INTEGRATED COMD/CONTROL TECH	56,500	(7,500)	49,000
010	62712E	MATERIALS PROCESSING TECH	34,660		34,660
011	62714E	NUCLEAR MONITORING	19,400	3,000	22,400
012	62715H	DEFENSE NUCLEAR AGENCY	347,013		347,013
013	62716B	TECHNOLOGY BASE	1,930		1,930
014	63220C	SURVEILLANCE,ACQSN,TRACK & KILL ASSESSMENT	1,262,413	(418,000)	844,413
015	63221C	DIRECTED ENERGY WEAPONS	1,614,955	(558,000)	1,056,955
016	63222C	KINETIC ENERGY WEAPONS	991,214	(371,000)	620,214
017	63223C	SYSTEMS CONCEPTS AND BATTLE MANAGEMENT	462,206	(194,000)	268,206
018	63224C	SURVIVABILITY,LETHALITY & KEY SPT TECHNOLOGY	454,367	(159,000)	295,367
019	63225D	JOIN DOD-DOE MUNITIONS TECH DEV	8,803	(1,000)	7,803
020	63226E	EXP EVAL-INNOVATIVE TECH(NON ACOUSTIC ASW)	172,600	10,000	182,600
021	63269E	NATIONAL AERO SPACE PLANE TECHNOLOGY PROGRAM	60,000		60,000
022	63702D	SPECIAL OPERATIONS SPECIAL TECHNOLOGY OFFICE	4,365		4,365
023	63703D	COUNTER INSURGENCY & SPECIAL TECHNOLOGY	12,180		12,180
024	63706D	MICROWAVE/MILLIMETER WAVE MONOLITHIC INT CIR	11,172	0	11,172
025	63736D	COMPUTER AIDED LOGISTICS SUPPORT	14,831	0	14,831
026	63756D	DOD SOFTWARE INITIATIVES (STARS)	35,220		35,220
027	35108K	COMMAND AND CONTROL RESEARCH	2,062	(249)	1,813
028	63734K	ISLAND SUN	31,853		31,853
029	32016K	NMCS-WIDE SUPPORT	10,485		10,485
030	32017K	WWMCCS ADP-JTSA	0		0
031	32019K	WWMCCS SYSTEM ENGINEER	19,279		19,279
032	33131K	MINIMUM ESSENTIAL EMER COMM NETWORK	11,301		11,301
033	64770D	JT SURVIVABILITY & TARGET ATTACK RADAR SYSTEM	0		0
034	64771D	COMMON JT TACTICAL INFO DISTRIBUTION SYSTEM	211,930		211,930
035	64772D	JOINT ADVANCED SYSTEMS	0		0
036	21135K	CINC C2 INITIATIVES	2,158		2,158
037	28045Q	C3 INTEROPERABILITY (JOINT TACTICAL C3 AGCY)	68,835	(7,000)	61,835
038	28298Q	MANAGEMENT HEADQUARTERS (JTC3A)	8,816	(816)	8,000
039	63701B	MAP/CHART/GEODESY INV/PROTOTYPE DEV	15,584		15,584
040	64701B	MAP/CHART/GEODESY ENGR DEV/TEST	2,337		2,337
041	31011G	CRYPTOLOGIC ACTIVITIES	[ ]	(67,442)	(67,442)
042	31302L	GENERAL DEFENSE INTELLIGENCE PROGRAM	[ ]	(8,000)	(8,000)
043	33126K	LONG-HAUL COMMUNICATIONS (DCS)	39,113	(2,000)	37,113
044	33127K	SUPPORT OF THE NCS	3,041		3,041
045	33401G	COMMUNICATIONS SECURITY	[ ]		[ ]
046	35139B	DMA EXPLOITATION PROGRAM	243,629		243,629
047	35159B	DEFENSE RECONNAISSANCE SUPPORT ACTIVIT	10,129		10,129
048	35159G	DEFENSE RECONNAISSANCE ACTIVITIES	[ ]		[ ]
049	35159I	DEFENSE RECONNAI SUPPORT ACTIVITIES	147,055	210,798	357,853
050	35167G	COMPUTER SECURITY	[ ]	(5,000)	(5,000)
051	35884L	INTEL PLAN AND REVIEW ACTVS	[ ]		[ ]
052	35885G	TACTICAL CRYPTOLOGIC ACTIVITIES	[ ]	(11,800)	(11,800)
053	63790D	NATO RESEARCH AND DEVELOPMENT	49,436	(5,000)	44,436

DEFENSE AGENCIES RESEARCH AND DEVELOPMENT FY 1987

LINE	P.E.	TITLE	REQUEST	CHANGE	RECOMM
054	65104D	TECHNICAL SUPPORT TO USDR/E	20,617	(2,000)	18,617
055	65106D	GENERAL SUPPORT FOR PA/E	3,912	(1,500)	2,412
056	65107D	SUPPORT TO POLICY	6,931	(700)	6,231
057	65108D	GENERAL SUPPORT FOR NET ASSESSMENT	4,415	(600)	3,815
058	65109D	GENERAL SUPPORT FOR PA&P	2,049	(300)	1,749
059	65110D	CRITICAL TECHNOLOGY	3,474	(600)	2,874
060	65112D	RAND RESEARCH CENTER FOR OSD & OJCS	16,717	(2,600)	14,117
061	65112E	TECHNICAL ANALYTICAL SUPPORT	0		0
062	65113D	TAPESTRY	2,801		2,801
063	65114E	BLACKLITE	4,000		4,000
064	65115J	CINC CONTRACT STUDIES SUPPORT	5,000	(5,000)	0
065	65116D	GENERAL SUPPORT TO C31	3,164	(1,000)	2,164
066	65117D	FOREIGN MATERIALS ACQUISTION & EXPLOITATION	14,831	(10,000)	4,831
067	65119D	GENERAL SUPPORT FOR A&L	3,263	(900)	2,363
068	65502E	SMALL BUSINESS INNOVATIVE RESEARCH	0		0
069	65711S	CRITICAL TECHNOLOGY ANALYSIS	3,000	(700)	2,300
070	65801S	DEFENSE TECHNICAL INFO CENTER	22,500	(2,000)	20,500
071	65802S	INFORMATION ANALYSIS CENTERS	7,550	(1,000)	6,550
072	65898C	MANAGEMENT HEADQUARTERS SDI	17,411	(1,000)	16,411
073	65898E	MGT HQ (RESEARCH/DEVELOPMENT)	12,200		12,200
074	78011S	INDUSTRIAL PREPAREDNESS	11,500	(4,000)	7,500
075	01015D	TECHNOLOGY TRANSFER FUNCTIONS	1,739		1,739
		SDI GENERAL INCREASE	0	298,434	298,434
		ASD C3I/EW	0	488,857	488,857
		PROJECT HORIZON		10,000	10,000
		LONG RANGE CHEMICAL WEAPONS	0	5,000	5,000
		CLASSIFIED PROGRAMS	1,275,813		1,275,813
		SUBTOTAL, DEFENSE AGENCIES, RDT&E	8,364,300	(833,618)	7,530,682
		DIRECTOR OF TEST AND EVALUATION, DEFENSE			
001	63790D	NATO RESEARCH AND DEVELOPMENT	47,991	(5,000)	42,991
002	65111D	FOREIGN WEAPONS EVALUATION	18,010		18,010
003	65804D	DEVELOPMENT TEST AND EVALUATION DEFENSE	75,799		75,799
		SUBTOTAL, DIRECTOR OF TEST & EVALUATION	141,800	(5,000)	136,800
		DIRECTOR OF OPERATIONAL TEST & EVALUATION			
001	65118D	OPERATIONAL TEST AND EVALUATION DEFENSE	11,300		11,300
		SUBTOTAL, DIRECTOR OF OT&E	11,300		11,300
		TOTAL, DEFENSE AGENCIES, RDT&E	8,517,400	(838,618)	7,678,782

COMMITTEE RATIONALE FOR PROGRAM ADJUSTMENTS

ADVANCED ANTI-TANK WEAPON SYSTEM MEDIUM (AAWS-M)

Committee recommendation

The committee recommends deletion of the Army's request fcr $48.735 million for the Advanced Anti-Tank Weapon System Medium (AAWS-M) program.

Basis for committee action

The purpose of the AAWS-M program is to explore various guidance and control systems, warhead technology and airframe configurations leading to a short-to-medium range missile to counter current and future generation Soviet armor vehicles.

The committee believes that the AAWS-M program is too costly, does not respond to the needs of our combat forces in timely manner and is unnecessary because other systems have been developed and can be deployed much sooner than an AAWS-M. The European-developed Milan II is an example of a system that could be used as an interim system while other technologies such as the Fiber Optic Guided Missile (FOG-M) and Tank Breaker—a forward-looking infrared guidance system—complete development and are deployed. Accordingly, the committee recommends denial of the Army's request for authorization and instead thereof recommends authorization of $20.0 million for the Tank Breaker program and $83.313 million for the FOG-M. The committee does not intend that the FOG-M or the Tank Breaker programs be "made better" or stretched out. The feasibility of the FOG-M has been repeatedly demonstrated, and in the committee's judgment, the FOG-M technical data package should be given to industry on a fully competitive basis with instruction to "build to print". The committee believes three baseline FOG-M configurations should be developed—a hand-held variant as infantryman light anti-armor system, an AAWS variant in both the medium and heavy configurations and an air defense variant. The Tank Breaker should follow a similar development pattern that is fully competitive with an early deployment objective. Further, the committee believes the FOG-M and Tank Breaker technology can be coupled to provide an extended range day-night anti-armor missile for future generation requirements.

ADVANCED WEAPONS

Committee recommendation

The committee recommends a reduction of $1.2 million from projects on nuclear safety, directed energy weapons survivability, and laser applications, along with an increase of $0.6 million in nuclear survivability and hardening technology, for a total reduction of $0.6 million from the Air Force request of $37.070 million for advanced weapon development at the Air Force Weapons Laboratory.

Basis for committee action

The Air Force requested nearly a 9 percent growth for projects on nuclear safety, directed energy survivability and vulnerability, and laser applications. The committee believes that careful economics should be applied to these programs.

The Air Force requested a reduction of 18 percent for nuclear survivability and hardening technology; the committee believes such an action would be very risky and recommends an increase to $4.843 million.

AV-8B AIRCRAFT

Committee recommendation

The committee recommends additional authorization of $16.0 million to the Navy's request for authorization of $48.639 million for the Marine Corps AV-8B aircraft.

Basis for committee action

The AV-8B is the Marine Corps' principal aircraft for operating from unimproved airfields in the forward area of battle.

The aircraft has been in production with satisfactory performance of all subsystems including its Pegasus engine. The committee is aware, however, that durability of the engine can be improved resulting in savings of over $300 million in a ten year period. Over 670 maintenance man-years of effort can also be saved, but most importantly, studies have shown that the upgrade engine would improve flight safety and survivability.

The committee, therefore, recommends additional authorization of $16.0 million to be used only for the Pegasus engine upgrade. Section 204 would require that this authorization be used only for this purpose.

BASE COMMUNICATIONS, TACTICAL AIR FORCES

Committee recommendation

The committee recommends a reduction of $2.0 million from the Air Force request of $3.207 million for Base Communications, Tactical Air Forces.

Basis for committee action

This project is intended to develop a communication system between the various elements of the logistics base in the Pacific Air Force and United States Air Force Europe areas.

The committee is aware of at least one program in recent years that successfully demonstrated during field exercises that an information and data system made up of movable, fully secure terminals can achieve a high degree of survivability by using the existing telephone system in Europe. The committee is aware of no reason why such a system would not work for this application.

DARPA NUCLEAR MONITORING OFFICE

Committee recommendation

The committee recommends increasing the authorization for DARPA's Nuclear Monitoring Office by $3.0 million, for a total of $22.4 million.

Basis for committee action

This is the major research activity on which the United States ability to detect foreign underground test depends. Whether or not the United States enters into a comprehensive test ban treaty depends substantially on the success of these activities.

The increased support for this program would allow the United States to prepare for technical discussions with the Soviets on new methods for improving the current monitoring of the threshold test ban treaty and also allow for demonstration of very promising technologies for monitoring low yield testing, relying on the use of arrays of sensors in Scandinavia and an advanced data analysis system.

DEPARTMENT OF DEFENSE/VETERANS' ADMINISTRATION COOPERATIVE RESEARCH PROGRAM

Committee recommendation

The committee is aware of the excellent research program in Army, Navy (including Marine Corps) and Air Force research, development, test and evaluation for fiscal year 1987, $35.0 million be used only for a cooperative medical research program between the Department of Defense and the Veterans' Administration. This $35.0 million in authorization consists of $10.0 million from the Army; $10.0 million from the Navy; and $15.0 million from the Air Force.

Basis for committee action

The Committee is aware of the excellent research program in Veterans' Administration hospitals and centers. Veteran's research has resulted in significant progress toward finding the causes of the decline in immune responses in the elderly. Alzheimer's disease, the devastating and incurable deterioration of the brain, is a major concern of Veterans' Administration researchers. One of the most major significant findings to date by the Veterans' Administration is that many of the symptoms of this disease are in fact characteristic of other conditions.

The Veterans'. Administration and the Department of Defense have had a cooperative program for several years in clinical cases and treatment. This cooperative effort was established in accordance with the Veterans' Administration and Department of Defense Health Resources Sharing and Emergency Operations Act (Public Law 97-174). This law was a landmark piece of legislation designed to facilitate the sharing of health care resources between Department of Defense and Veterans' Administration medical facilities. Under this act a military hospital having expensive sophisticated medical equipment could share this equipment with a nearby Veterans' Administration hospital rather than purchasing its own equipment or purchasing the services from practitioners in the private sector. This sharing arrangement benefits both medical facilities—the ultimate winners being the patient and the taxpayer.

The committee believes that Public Law 97-174 fully allows for cooperative research and that such a cooperative program would be mutually beneficial for two main reasons. First, the Department of Defense has a backlog of clinical cases thereby making it difficult to find the medical talent required to conduct the necessary medical research, and second, the Veterans' Administration, although it has an excellent research program, is greatly underfunded. For example, research in ventricular arrhythmias has been delayed as a consequence of funding shortfalls. A cooperative study on angioplasty has also been delayed because of inadequate research funding.

The authorization of $35.0 million will allow this research to proceed as well as ensure continuation of cooperative research in congestive heart failure and other areas to include research on blood transfusions including blood substitutes, stress research, etc. Section 211 would require that these funds be available only for this purpose and that a program plan be delineated and all appropriations transferred to the Veterans' Administration within 30 calendar days following enactment of the bill.

DEVELOPMENT PLANNING OR ADVANCE SYSTEM ENGINEERING/PLANNING

Committee recommendation

The committee recommends reducing the Air Force request of $23.1 million by $13.1 million, for a total of $10.0 million for development planning.

Basis for committee action

The purpose of this program is developmental planning for new classes of systems, capabilities, and mission areas. It attempts to identify technology to meet new requirements by performing concept studies. In the Defense Appropriation Act for fiscal year 1986 (Public Law 99-190), Congress directed the Air Force to establish a separate line item project to replace the previous system of "assessing" Air Force R&D programs to fund this activity.

The reduction is for budgetary reasons only and is without prejudice.

EXPERIMENTAL EVALUATION OF MAJOR INNOVATIVE TECHNOLOGIES

Committee recommendation

The committee recommends the addition of $10.0 million to the DARPA request of $172.6 million for Experimental Evaluation of Major Innovative Technologies, for independent research on ocean sciences and related areas.

Basis for committee action

The survivability of submarines, both attack and ballistic missile, in the face of the threat from Soviet Antisubmarine Warfare, including from the much larger Soviet submarine fleet, is of immense importance. The Navy has for years maintained a SSBN security program at a level of about $40 million per year. This program tries to identify and evaluate any technology (acoustic or nonacoustic) that could be used to locate U.S. submarines. Moreover, the United States has for decades been able to remain ahead of the

Soviets by careful attention to the details of submarine design and construction, minimizing the Soviets ability to locate and track U.S. submarines.

Clearly, the future success of the SSBN security program and the future survivability of the submarine force will depend on the most complete understanding of the phenomenology and technology involved, especially if detection could result from manifestations on the surface of the ocean observable from aircraft or from space. The committee continues to be concerned that decades of success may lead the U.S. technical community to drift into complacency, overestimating the understanding of the mechanisms by which submarines are detected and failing to follow-up on evidence and technical trends that must be understood to maintain confidence that submarines are undetectable from aircraft or space.

Accordingly, the committee recommends an additional $10.0 million for this program element at the Defense Advanced Research Projects Agency for the purpose of conducting advanced speculative and independent research and experiments on such technical areas as wave propagation, ocean surface physics, radar and infrared imaging, and detection theory. Results from this program are to be part of an ongoing independent assessment of submarine detection possibilities.

GROUND LAUNCHED CRUISE MISSILE

Committee recommendation

The committee recommends deletion of the Air Force request for $7.377 million for the last portion of the development program to adapt the Tomahawk Cruise Missile into a ground launched system.

Basis for committee action

Ground Launched Cruise Missile R&D was programmed to end in fiscal year 1987. The Air Force is requesting nearly $7 million to develop an operational test launch payload, the purpose of which is to allow hardware for monitoring operational tests to be more easily installed. The committee judges this program to be of low priority.

HIGH SPEED ANTI-RADIATION MISSILE (HARM) LOW COST SEEKER (LCS)

Committee recommendation

The committee recommends deletion of the Navy's request for $3.931 million for the High Speed Anti-Radiation Missile (HARM) improvement program and recommends additional authorization of $25 million to the Navy's request for $14.704 million for the Low-Cost Anti-Radiation Seeker (LCS). The committee also recommends additional authorization of $2.6 million to the Air Force request for $14.775 million for the LCS.

Basis for committee action

The purpose of the LCS is to provide an anti-radiation guidance system to counter hostile surface-to-air gun and missile systems. The program uses state-of-the-art technology to meet this objective at a substantially lower cost than existing systems such as the HARM.

The committee has repeatedly expressed concern over the high cost of the HARM, and its utility as a combat weapon remains in question. The committee is opposed to any subsequent upgrade of the HARM guidance and control system excepting the integration of the LCS. Consequently, the committee recommends against the continuation of the so-called HARM Block IV configuration unless the development, retrofit or future integration of that change is done at no cost to the government, and or with no adverse impact on the schedule for start of initial production of LCS-equipped HARMS in 1989. The committee fully supports the LCS for future HARM integration and for other applications and the goal of obtaining competition through expansion of the industrial base in antiradiation weapons. Accordingly, the committee's recommendation (Secs. 204 and 205) to add $27.6 million to the Navy and Air Force authorization is intended only for the continued development of the LCS that is fully compatible with the HARM missile at the earliest possible date. Section 212 would provide that the HARM Block IV improvement not be funded at government expense and that it proceed only if the LCS program is continued in accordance with the committee's recommendation.

ICBM MODERNIZATION

Committee recommendation

The committee recommends authorization of the full Air Force request for the small mobile ICBM but recommends deleting the project on alternative basing technologies and reducing the request for MX development to $200.0 million.

Basis for committee action

The President's bipartisan Commission on Strategic Forces recommended, among other things, a two ICBM program. This involved deployment of MX missiles in existing Minuteman silos to threaten Soviet hardened targets (e.g., their ICBM silos) and thus improve deterrence, and encourage the Soviets to improve crisis stability through arms control and reposturing their strategic forces. It also involved development and deployment of a small ICBM designed to be highly survivable and, thus, to improve crisis stability.

The Commission's recommendations—recommendations that were the basis for a legislative-executive consensus on ICBM modernization—envisioned balanced priority between the two ICBM programs. The committee, however, is concerned that recent Administration announcements and actions may upset this balance of priorities, delaying the development and deployment of the small ICBM, while keeping MX deployments on schedule. To ensure that the balance remains intact, the committee agreed that no more than 10 MX missiles could be deployed until a number of steps were completed in the development of the small ICBM. These included designing, integrating, validating and testing major elements of the small ICBM, beginning full-scale engineering development, including contract awards, and the Secretary of Defense certifying that the small ICBM program was structured to meet an initial operational capability of December 31, 1992.

To provide expeditious progress on small ICBM development, the committee recommends approval of the full request of $1.375 billion for research and development on this system. To provide more flexibility in system design, including aids to penetrate Soviet defenses, the committee also recommends lifting the legislative constraint (Sec. 210) on maximum small ICBM missile weight from the existing 30,000 pounds to a level of 37,000 pounds.

IMPROVED CAPABILITY FOR RDT&E

Committee recommendation

The committee recommends a reduction of $20.0 million from the Air Force request of $89.518 million for Improved Capability for RDT&E.

Basis for committee action

This is an omnibus program element of 26 separate projects to improve test ranges and test facilities. The committee is concerned that 26 separate projects are too many to allow effective management control.

For example, the proposed growth of the Global Positioning System (GPS) time-position information from $9.4 million to $27.1 million is too great for a year of severe budget constraints.

The new project for cruise missile test control aircraft should be deferred or cancelled. The budget request contained $51.0 million to modify two existing C–18 (Boeing 707) already owned by the Air Force into telemetry collection and test observation planes for cruise missile tests. Unless this program can be restructured to cost far less, the committee can not support it.

INDUSTRIAL PREPAREDNESS

Committee recommendation

The committee recommends a reduction of $20.0 million from the Air Force request of $83.6 million for industrial preparedness.

Basis for committee action

This is the Department of Defense manufacturing technology (MANTECH) program, which is intended to transfer critical manufacturing methods, processes and equipment into production applications. MANTECH demonstrates advanced techniques and proves production feasibility to reduce cost. The total request for this program element for the three services and the Defense Agencies is over $150 million. The Committee supports the effort; the reductions are due entirely to budget constraints.

INTER-SERVICE/AGENCIES AUTOMATED MESSAGE PROCESSING EXCHANGE

Committee recommendation

The committee recommeds a reduction of $19.6 million from the Air Force request, for a recommended total authorization of $35.0 million for the I–S/A AMPE Program.

Basis for committee action

The purpose of this program is to provide the military services and DOD agencies with a common, world-wide, secure telecommunications system that can survive a nuclear attack. R&D costs since 1978 have been $30.6 million (the total estimated cost is $100 million). The total procurement cost is estimated at $158 million.

The committee is not convinced that this system will be capable of handling both classified and unclassified data at the same time. Also, due to the extremely high cost, the committee will not at this time make a commitment to support I-S/A AMPE in the future. The Air Force will have to demonstrate that the system is required and that no existing system could do the job.

Budget constraints require that the growth in this R&D program be moderated from the requested 78 percent increase to a more realistic 14 percent increase.

LIFE SUPPORT SYSTEMS

Committee recommendation

The committee recommends additional authorization of $3.0 million to the Air Force's request of $12.396 million for the Life Support Systems program.

Basis for committee action

Loss of consciousness by pilots operating in high-G environments continues to be a serious problem. The Tactical Life Support System (TLSS) being developed in project 412A seeks to solve this problem for the F-16 and other high performance tactical aircraft. The committee is aware that the budget request is insufficient to support engineering definition and production preparation on a schedule commensurate with planned test and valuation activities. Accordingly, the committee has added authorization of $3.0 million to be used for TLSS, for engineering definition, tooling and fabrication of hardware needed for test and evaluation.

MARINE INTEGRATED FIRE AND AIR SUPPORT SYSTEM (MIFASS)

Committee recommendation

The committee recommends deletion of $8.0 million from the Navy's request for authorization of $150.0 million for the Marine Corps command, control and communication system program. This recommendation deletes all funds for the Marine Integrated Fire and Air Support System project within this program.

Basis for committee action

The purpose of the MIFASS is to provide automated systems to a field commander to coordinate deployment of supporting arms (mortars, artillery, air, naval gun fire, etc.)

The MIFASS program is in a state of disarray, has overrun its cost objectives, is behind in important documentation such as the Integrated Logistics Support Plan, and is behind schedule. In addition, the current Engineering Development Model may not be producible. Accordingly, the committee recommends no authorization for the MIFASS program. Section 204 would prohibit funds authorized by this or any previous Act to be used to continue the MIFASS program.

NATIONAL AEROSPACE PLANE

Committee recommendation

The committee recommends full support for the Department of Defense request for $150.0 million to initiate the National Aerospace Plane program.

Basis for committee action

The National Aerospace Plane (NASP) is the means to translate the aeronautical sciences developed in the 1960's and 1970's into the technology essential to maintain U.S. preemminence in aeronautics for military applications and space transportation into the 21st Century. Recent advances in a number of technologies including computational fluid dynamics, materials, propulsion and avionics provide the opportunity to bridge the gap in the knowledge of aeronautical sciences from low supersonic speeds to orbital velocities thereby enhancing the prospects for development of single-stage to orbit vehicles. Extended hypersonic atmospheric cruise becomes an inherent capability.

The committee believes that an experimental aircraft with the research mission to verify computational data bases, ground test, and scaling laws will enable the transfer of those technologies essential to full-scale applications. The committee emphasizes that this is a research project and to minimize vehicle size and the cost of attaining essential research data the aerospace plane will carry a payload consisting only of the necessary flight crew and research instrumentation to obtain the data base essential for later operational vehicle development. If successful, the National Aerospace Plane will represent a substantial improvement in flexibility—and the economics—over the Space Shuttle and even the Complementary Expendable Launch Vehicle. Operational costs will be lower and will obviate the reliance on very expensive ground based facilities.

The committee recommends, therefore, the full authorization of $150.0 million as requested.

PHYSICAL SECURITY

Committee recommendation

The committee recommends additional authorization of $6.0 million to the Army's request of $1.216 million for the Physical Security program.

Basis for committee action

The development of better equipment to protect installations and rear areas from terrorists and special forces is of high priority. The budget request is inadequate to fund the design of the Advanced Facility Intrusion Detection System (AFIDS), as had formerly been planned. Accordingly, the committee has added authorization of $6.0 million to continue system integration and development of AFIDS components.

PRECISION LOCATION STRIKE SYSTEM

Committee recommendation

The committee recommends that the Air Force request for $6.601 million for the PLSS system be reduced by $16.601 million, for a total recommended authorization of $20.0 million.

Basis for committee action

The Precision Location Strike System is a Tactical Air Force system designed to accurately locate enemy air defense emitters in near real time and to destroy them. At Congressional direction, the Air Force in conjunction with the National Security Agency is enhancing the ELINT capability of this system

Serious problems with the air-to-air and air-to-ground data links as well as with system timing anomalies remained unresolved. The Air Force has combined initial operational test and evaluation (IOTE) with developmental test and evaluation; the Air Force should consider delaying IOTE until these problems are resolved.

RANKINE CYCLE ENERGY RECOVERY (RACER) SYSTEM

Committee recommendation

The committee recommends additional authorization of $25.0 million for the Rankine Cycle Energy Recovery (RACER) system.

Basis for committee action

The purpose of the RACER program is to augment a surface ship propulsion system providing greater fuel efficiency and/or increased payload.

The RACER system was intended to complement the LM-2500 propulsion system on the Navy's latest destroyer—the DDG-51 Arleigh Burke Class. It was estimated that RACER would extend the range of these ships by up to 2,000 miles. During the past two-year period, however, the program has been mismanaged. The Navy did not follow Congressional guidance and, in fact, used funds authorized and appropriated for the RACER program for other purposes. The RACER system tests were suspended by the Navy, and subsequently, the contract for RACER development was cancelled.

The committee does not concur in the Navy's action to cancel the RACER program and, accordingly, recommends $20.0 million in authorization to resume testing of the RACER system for deployment on the DDG-51 as well as other platforms. Section 204 would provide that no funds be used for research, development, test and evaluation for the DDG-51 class ship until the Secretary of the Navy resumes testing of the RACER system and advises the Congress that testing will continue through completion of land-based and at-sea testing. Additionally, the RACER and DDG-51 designs must be compatible.

With regard to the Recovery, Assist, Secure and Traversing (RAST) System, a system to assist in recovery of LAMPS helicopters, the committee does not support any further test and evaluation of this system for the DDC-51 class ship or any platform with LAMPS capability. The RAST is complex and expensive with its estimated cost of over one million dollars per system.

The grid, harpoon, and traversing system developed by our allies both in and out of NATO is less complex and costs about half of the RAST. Further the committee understands that 15 countries have either planned to approve or are testing the grid, harpoon, and traversing system. Accordingly, the committee directs that $5.0 million of the funds authorized for appropriation for the DDG-51 be used only to procure a grid, harpoon, or traversing test set for the complete evaluation.

RELIABILITY AND MAINTAINABILITY MATURATION/TECHNOLOGY INSERTION

Committee recommendation

The committee recommends a reduction of $5.0 million from the Air Force request of $18.031 million for Reliability and Maintainability Maturation.

Basis for committee action

The Air Force recently implemented an action plan called Reliability and Maintainability 2000. The purpose of this effort is to institutionalize this activity and to consolidate various R&M initiatives into a cohesive program. This program element consists of 12 very diverse projects; some of these have little to do with reliability and maintainability. For instance, the projects on Radar Remoting Applique and High Reliability Penetrator Fuse appear to be more appropriate for advanced technology development than reliability and maintainability.

75 MILLIMETER GUN SYSTEM

Committee recommendation

The committee recommends authorization of $7.0 million for the Marine Corps 75 millimeter gun system.

Basis for committee action

The committee is concerned that the scope of the Department of Defense proposed joint test program is oriented toward procedural problems (that might be better tested by the Readiness Command) with little attention being paid to joint hardware projects. Last year the Congress authorized the test of the XM-274 75 millimeter multi-purpose automatic cannon and is disappointed to learn that neither the Director of Test and Evaluation (DOTE) nor the Deputy Director of Test and Evaluation (DDTE) has formulated plans to conduct a joint test of this weapon system. The Congress has enthusiastically supported the 75 millimeter gun development and is aware that engineering will be completed in 1986. Prudence would dictate exploiting the full potential of this state-of-the-art cannon, including air defense as well as its anti-tank and assault gun capability. The gun could provide a low-cost solution for the growing rear area security problem, e.g., air base ground and air defense. Although the United States Marine Corps is developing the XM-274 as an assault gun candidate for LAV, the 75 millimeter gun should also be a candidate for the Army's long-awaited armored gun system, XM-4.

In view of the potential of the XM-274 for multi-service employment, the committee directs the Department of Defense to conduct a joint test of the 75 millimeter gun system on wheeled and tracked vehicles in the air defense and other mission roles.

SPACE DEFENSE SYSTEM

Committee recommendation

The committee recommends a reduction of $137.957 million from the Air Force's request for $277.957 million for the Space Defense System.

Basis for committee action

The purpose of the Space Defense System program is to provide for developing and testing of an antisatellite (ASAT) system configured around an F-15 aircraft launched miniature homing vehicle.

Cost growth and schedule delays continue in this program. The program has recently gone through a major restructuring with the addition of a production verification phase, a reduction in the projected production quantity and basing changes. The committee believes that the Air Force should not commit any funds to the production verification phase of this program. The committee encourages the Administration to develop alternatives to this program to include both active and passive systems. Section 205 specifies that not more than $140 million would be available for the development of the Space Defense System and that none of the funds may be used for the production verification of the miniature homing vehicle.

SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS TECHNOLOGY

Committee recommendation

The committee recommends a reduction of $5.0 million from the Air Force request of $8.529 million; the reductions are to be taken from the Interactions Measurement Package System (IMPS).

Basis for committee action

This program develops the technology to counter the adverse environment of space on Air Force satellite systems by investigating the interaction effects and developing design guidelines to mitigate them.

The project schedule for IMPS will have to be delayed due to the shuttle accident and the unavailability of alternate launch vehicles; fabrication of engineering and scientific instruments for the satellite can, therefore, be delayed.

STRATEGIC DEFENSE INITIATIVE

Committee recommendation

The committee recommends a reduction of $1,402.566 million from the Defense Agencies request for $4,802.566 million for the Strategic Defense Initiative (SDI) program.

Basis for committee action

The goal of the SDI program, as stated in the Administration's March 1986 *Report to Congress on the Strategic Defense Initiative,* is to conduct a program of vigorous research and technology development that may lead to strategic defense options that would eliminate the threat posed by ballistic missiles. The report further states that SDI seeks to provide the technical knowledge required to support an informed decision in the early 1990s on whether or not to develop and deploy a defense of the United States and its allies against ballistic missiles.

The committee is in general agreement with the stated goals but is concerned about the lack of focus in the program and the ability of the program to efficiently utilize the large increase requested in authorization. The committee believes that an authorization of not more than $3.4 billion (sec. 208) provides for a reasonable growth of 24 percent, a level that is adequate to support the stated goal while providing an incentive to focus and efficiently manage the overall SDI program.

The committee is increasingly concerned with the Soviet short-range missile threat in Europe and with the lack of meaningful progress for the theater defense system that would offer protection to the members of the NATO alliance from these tactical ballistic missiles. At the same time, however, the committee recognizes that the Strategic Defense Initiative organization is conducting a research program to respond to this need and, through the Army Strategic Defense Command, has demonstrated applicable interceptor technology with the successful intercept flight test in June 1986.

Recognizing the significant work to date but also the need for actions that are bold and fruitful, section 211 would direct the Secretary of Defense to establish a separate office within the Strategic Defense Initiative Organization to carry out research, development, and test of systems for defense against tactical ballistic missiles.

Section 211 further specifies that up to $50 million the amount authorized for the SDI would be available to initiate development of a system for defense against tactical ballistic missiles. None of these funds could be used in a manner inconsistent with the 1972 ABM Treaty.

The committee believes that the development of a tactical ballistic missile defense system should be cooperative development program involving our allies, and that U.S. activities should be designed to support such a cooperative development. The committee is aware that system architecture efforts are being undertaken in fiscal year 1986 to define the threat and identify the system requirements for a theater defense system. In the committee's view, the development of a theater defense system should be undertaken on a matching fund basis with substantial contributions from allies involved in the program.

VERY HIGH-SPEED INTEGRATED CIRCUITS (VHSIC)

Committee recommendation

The committee recommends additional authorization of $25 million to the Air Force request for $132.897 million for the Very High-Speed Integrated Circuits (VHSIC) program.

Basis for committee recommendation

The purpose of this program is to advance the state of technology in integrated circuits to provide enhanced performance and reliability of weapon and weapon support systems. This is the seventh year of program development, and all major performance objectives have been met. That the program is on schedule, however, is attributed to additional authorization and appropriation provided by the Congress for four consecutive years.

Currently, two objectives remain in the VHSIC program. The first objective is to reduce the cost of the new small size integrated circuits from several thousands dollars each to less than $200. This requires a vigorous manufacturing technology program presently in progress. The second objective is to further reduce the size of the integrated circuits to the sub-micron (one millionth of a meter) level. This is referred to as the VHSIC Phase II program.

The committee recommends additional authorization to further accelerate the manufacturing technology project, as well as the second phase of the VHSIC program. The committee has learned that the Department of Defense request for the fiscal year 1987 program is underfunded, hence the additional authorization. The committee emphasizes that of the $157.897 million, $3 million is available to continue the laser pantography aimed at single day prime scale prototype of sub-micron size wafer scale integrated circuits for Defense applications that require compact ultra-high performance digital data processing systems.

SPECIAL CONSIDERATIONS

ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE

The committee continues to be concerned about the performance and cost of the Advanced Medium Range Air-to-Air missile (AMRAAM). Authorization for the AMRAAM, would be predicated upon the Secretary of Defense advising the Congress in writing that the certification required by Public Law 99-145 relating to the design, performance and cost of the AMRAAM remains valid. Not more than $39 million is available for this program. Section 205 would limit the use of funds for the AMRAAM according to these guidelines.

AIR FORCE SHUTTLE LAUNCH FEES

The Air Force budgets and pays NASA for shuttle rides for Department of Defense payloads one year in advance of the ride. This practice has been embodied in three Memoranda of Agreement, the second of which is currently in effect. The Agreement calls for the Air Force to pay for a ride once scheduled even if the particular launch is delayed to another year, in which case the Air Force receives credit toward a future launch.

This revolving fund concept benefited the Air Force because it allowed for budgeting based on launch plans and benefited NASA because it allowed for planning on funding in amounts known well in advance. However, the Agreement did not envision a situation as catastrophic as the loss of Challenger in January and the necessary suspension of Shuttle operations for one to two years, coupled with prospective reductions in flight rate, payload capacity, etc. The terms of the Agreement now appear inappropriate to both parties in that the Air Force must budget for Shuttle flights it can not obtain, while also purchasing additional expendible launch vehicles to provide substitute service. Meanwhile, NASA would receive payments for flights it could not deliver while in later years, it would deliver flights for which it had been paid years earlier. The result would be to lower the NASA budget now but to raise it significantly within a few years.

The committee believes that the agreement must be rewritten in recognition of the current situation. The Air Force has sufficient credits to pay for any launches that could occur in fiscal year 1988. Accordingly, authorization is denied for ride charges in the fiscal year 1987 budget in the expectation that the new agreement will not call for payments during that year.

AIR TRAFFIC CONTROL SURVIVABILITY

Authorization and appropriation have been provided to the Air Force to develop and test the Surveillance and Tower Restoral Vehicles (SRV and TRV) as part of the Air Traffic Control Survivability project. This program is designated as a small business set aside. To date, the funds have not been utilized. The committee directs the Secretary of the Air Force to transfer $3.9 (sec. 201) million from prior year funds to complete the evaluation of the development proposals received and award a contract. The committee further authorizes $6.039 million in fiscal year 1987 for this effort within the Air Traffic Control Survivability project.

ARAPAHO

The Department of Defense Appropriation Act, 1986 (Public Law 99-190) provided $5.0 million to the Army for procurement of the Arapaho helicopter support system. These funds have not been utilized. The committee understands that the Army needs to perform additional evaluation of this concept prior to making a procurement decision. The committee directs that the $5.0 million of fiscal year 1986 appropriation be transferred (sec. 201) to the Army Research, Development, Test and Evaluation account and that the Army utilize these funds for the development of an Arapaho prototype.

CONVENTIONAL DEFENSE INITIATIVE

The committee recommends authorization totalling $462.0 million for a Conventional Defense Initiative. The committee is concerned that insufficient attention has been given to conventional force modernization and that the focus of the President's address of March 23, 1983, has been on strategic defense. In this address, the President stated, "At the same time we must take steps to reduce the risk of a conventional military conflict escalating to nuclear war by improving our non-nuclear capabilities. America does possess now the technologies to attain very significant improvements in the effectiveness of our conventional non-nuclear forces. Proceeding boldly with these new technologies, we can significantly reduce any incentive that the Soviet Union may have to threaten attack against the United States or its allies."

Since the President's address the committee finds that very little has been accomplished to correct deficiencies in many areas that are critical to U.S. conventional deterrent objectives. For example, the anti-armor capability of the Army's infantrymen is as lacking today as it was in World War II and Korea. The Army has been attempting to develop a system to seek and destroy enemy mines for over a decade—the so-called mine flail system. European allies have developed several capable mine flail systems while the U.S. footsoldier is still left wanting.

Our naval forces first expressed the requirement 15 years ago for a day-night sensor that would enable the fleet to operate in radio frequency silence—a Forward-Looking Infrared (FLIR) system. Hundreds of millions of dollars have been spent on development, but not a single FLIR system has been deployed.

The committee concurs entirely with the President's assessment that we do have the technologies available to greatly enhance the effectiveness of our conventional non-nuclear forces. Unfortunately, the response to the President's objective has been more rhetorical than substantive.

Accordingly, the committee recommends that a Conventional Defense Initiative (CDI) be formally established during fiscal year 1987 and be given the same importance as the Strategic Defense Initiative (SDI). Unlike the SDI, however, Conventional Defense Initiative is not intended as a technology exploitation program. The technology for Conventional Defense Initiative exists—in America and overseas. In many instances the technology is not expensive and need not take a decade to translate into operationally useful weapon systems and subsystems. In the area of Remotely Piloted Vehicles (RPV) for example, the United Kingdom has developed the Sprite—a low-cost RPV that could be used for surveillance, reconnaissance, targeting and other functions. Both the United Kingdom and Israel have developed FLIR systems—the Sea Archer and the Rafael FLIR, respectively—that could be deployed on U.S. naval ships in a matter of months and not years.

Section 207 would express the sense of Congress that a Conventional Defense Initiative be established to provide emphasis on improving conventional weaponry of the armed forces and enhancing cooperation with NATO allies with the objective of improving the fighting power and survivability of U.S. combat forces and raising the threshold for nuclear war.

The committee's recommendations place emphasis on the following areas:

(1) Mine Flails—The committee recommends authorization of $10.0 million for the Army and $5.0 million for the Air Force for

evaluation of the United Kingdom-developed Aardvark system or the Federal Republic of Germany Mak system for integration on the U.S.-developed Logistics Vehicle Support (LVS) ten-ton truck. This truck has been developed for the Marine Corps and is the most logical choice for a mine flail system.

(2) Chemical Warfare—The committee has recommended authorization of $2.0 million for actual field testing of the United Kingdom/United States-developed U.S. 10 Protective Mask. The mask developed by the Army—the XM-40—has experienced constant difficulty; however, the U.S. 10 has met all of its requirements, is in production for all United Kingdom services and is planned for use by four other NATO countries.

(3) Anti-Armor Capability—The committee recommends authorization of $83.313 million for the Fiber Optics Guided Missile (FOG-M); $25.0 million for the Infantry Anti-Armor Weapon; $2.0 million for a Ground-Launched Hellfire Missile system; $20.0 million for the Tank Breaker system; $25.0 million for the evaluation of multipurpose assault weapon system; and $20.0 million for the Milan II missile. The committee's intention on the FOG-M and Tank Breaker systems is delineated elsewhere in this report, however, the committee emphasizes that it is recommending authorization for the accelerated development of both systems. The committee is aware of at least one application of fiber optic technology in a remotely controlled hand-held lightweight—less than 35 pounds—anti-armor weapon for the infantrymen that could be developed within 20 months at a cost of less than $30 million. Similarly, the Tank Breaker technology has been demonstrated and an expensive long-term research and development program is not required or necessary. The Army is encouraged to examine all European-developed light infantry anti-armor weapons that could be deployed to the force at an early date. Accordingly, the $25.0 million authorized for this purpose is intended to procure systems for evaluation and not for research. The authorization for the Milan II system is intended for procurement of missiles for field tests and evaluation, to establish a U.S. source for production and to transition from development to procurement.

The authorization for the multipurpose assault weapon system is for the Army to conduct competitive proof of principle evaluation of systems capable of defeating light armor and various structural/fortified targets. The purpose of this evaluation is to equip the individual soldier with a single multipurpose weapon for urban or similar combat scenarios as a replacement for the discontinued M72A3 LAW and the interim AT-4 anti-tank weapons.

The committee intends that there be a comparative operational test of shoulder-fired squad-level anti-tank weapons comparing, at a minimum, the following existing weapons: the German Panzerfaust III, the Swedish AT-4 (or U.S. variant), the UK LAW 80, the French Apilas, the French Strim, the USMC's SMAW, the Israeli B-300, and the U.S. 3.5" rocket launcher with modern Belgian ammunition.

The tests should include maximum rate-of-kill firings against realistic, moving, company-size or larger tank target arrays by average-skill gunners. Each target array shall be presented over realistic European-type terrain under operational conditions (e.g., on courses unfamiliar to the gunner), with target distances from 30 to 300 meters. The pair of gunners should have available to them for firing in each target array presentation the number of antitank rounds that would normally be carried by foot by a combat-loaded rifle squad.

The tests should compare the weapons for lethality, under the supervision of the Joint Live Fire Test Program, against actual combat-loaded Soviet tanks.

The U.S. Army, the USMC, the Army National Guard and the Office of the Secretary of Defense shall submit to Congress independent reports addressing the adequacy of the tests, the firing results, and a recommended best weapon.

The committee has authorized funds for the development of a light-weight, towed mount for the existing U.S. developmental 75mm antitank cannon and the existing Israeli 60mm antitank cannon. The cannon should be tested for maximum rate-of-kill firing against company-size or larger tank targets presented over realistic European-type terrain at ranges from 250 meters to 1250 meters, under the supervision of the Joint Live Fire Test Program.

In order to improve U.S. infantry capabilities to engage an enemy tank forces accompanying infantry and attack advancing armored forces, the committee intends that there be tests of existing or developmental rifle-launched munitions, including as a minimum the Belgian Mecar, French Luchaire, Israeli IMI, the U.S. HEATER and the Rifleman's Asault Weapon (RAW).

The tests should determine the operational utility of increasing the individual soldier's firepower with the test weapons, comparing the efficiacy of infantry defensive operations when equipped with the test weapons versus current equipment.

The operational utility of equipping "rear area support troops" with the test weapons should also be assessed. The tests should be conducted under the supervision of the Joint Live Fire Test Program with reports submitted to Congress addressing the adequacy of the tests, the results, and recommendations for the best weapons.

(4) Armor Vehicles—The committee recommends authorization of $10.0 million for the procurement of the Federal Republic of Germany-developed Weasel Armor Vehicle. The committee recommends authorization of $9.0 million to continue development of the U.S./FRG diesel engine for armor vehicles. The committee is aware of the low-cost multi-purpose Weasel that would provide a complementary adjunct to the Bradley Fighting Vehicle. The Weasel weighs less than three tons and could be used to transport troops beyond the forward edge of the battle area, as an air defense vehicle, for reconnaissance and surveillance and as a command, control and communication vehicle. The authorization for the diesel engine is to continue development of a contemporary fuel-efficient diesel engine that could be retrofit into existing U.S. armor vehicles or installed in future tanks and armored personnel carriers.

(5) Close-In Air Defense—The committee recommends authorization of $10.0 million of which $7.5 million is for continued development of the Army's Spike system developed by its Missile Command and $2.5 million for evaluation of foreign-developed systems

such as the Israeli Adams to meet the Army's air defense requirements.

(6) NATO Cooperative Research and Development—The committee recommends authorization of $31.0 million for the Army; $30.0 million for the Navy; and $30.0 million for the Air Force for cooperative research and development. This is one of the most significant elements of the Conventional Defense Initiative because it will greatly improve defense return on investment by avoiding needless duplication of effort.

(7) Navy Surface Ship Enhancements—The committee recommends authorization of $90.0 million of which $30.0 million is for sensor upgrades; $35.0 million for engagement improvements; and $25.0 million for advanced anti-air warfare weapons. The committee recognizes that the evolution of anti-shipping cruise missiles constitutes a severe threat to our maritime forces resulting in an urgent requirement for improved self-defense capabilities. Sensors suites on naval ships other than those associated with the modern Aegis cruisers require improvements in detection and reaction time performance. The Navy must exploit the upgrade potential of its shipboard sensors through the integration of infrared and electronic signal measurements as well as radar assets. The effort should be designed to provide timely and cost effective improvements to the largest portion of the active fleet. Electronic countermeasure systems developed by our allies such as the Heatrap infrared flare rocket dispenser should be examined and evaluated as adjuncts to our shipboard sensors. In the area of engagement improvements, threat speed and maneuverability dictate corresonding improvements in U.S. surface ship defense. The threat of submarine launched cruise missiles require a responsive quick reaction missile system that can engage the threat outside the range of the close-in weapon system. The rolling airframe missile developed by the Navy is not the right answer to this problem. Improvements to existing missile systems such as Sea Sparrow and new engagement alternatives such as the hypervelocity missile and other low cost candidates should be explored to increase firepower and effectiveness. Of the $35.0 million recommended for engagement improvements, $16.0 million is for the Surface Ship Self-Defense Hypervelocity Missile system feasibility demonstration. In the area of advanced anti-air warfare weapons systems, studies conducted by the Navy indicate that its self-defense weapons systems will be outpaced by the threat of the mid-to-late 1990's. The development cycles associated with modern weapon system developments approaches ten years. Initiating the development of an advanced combat system for short-range air defense during fiscal year 1987 is imperative. Accordingly, $25.0 million is authorized for this purpose.

(8) Naval Air Safety and Reliability Enhancements—The committee recommends authorization of $16.0 million to upgrade the Marine Corps AV-8B Pegasus Engine and $10.0 million to complete development and initiate integration of the Floating Beam Avionics Rack (Sec. 204) for the S-3A anti-submarine warfare aircraft. The modifications to the Pegasus engine will greatly enhance pilot safety and result in a substantial improvement in reliability. The investment will be amortized in just a few years as a consequence

of lower maintenance hours per flight hour. Perhaps the greatest obstacle to acceptable availability of the S-3A aircraft is the poor design of the avonics racks that contain the sophisticated avionics. The Navy has expended years of effort and substantial money with no concomitant results. The Navy has, however, successfully tested a floating beam avionics rack developed by a small business. The Navy's own reports gave the system the highest rating. For some reason, the Navy has failed to implement its plan to integrate the new rack on the S-3A and aircraft availability is much lower than it should be. The committee, therefore, recommends authorization of $10.0 million for accelerated integration on the S-3A and other aircraft and section 204 would restrict this authorization only for the floating beam avionics rack.

(9) Conventional Attack Standoff Weapon—The committee recommends authorization of $5.0 million for the Air Force to evaluate conventional attack standoff weapons developed by U.S. allies that are more capable and/or less costly than the AGM-130. The committee is aware of the Israeli long-range air-to-ground guided bomb for high value targets. It is an electro-optical standoff weapon with much greater range of the AGM-130 with greater operational flexibility and target acquisition capability. It is operational in the Israeli Air Force and is immediately available for evaluation.

This summarizes those areas of research, development, test and evaluation that should be emphasized to improve U.S. conventional deterent objectives in the earliest possible timeframe. Many other systems, in addition to those highlighted above, are of interest to the committee in pursuing the Conventional Defense Initiative. NATO-developed torpedoes, the long-range anti-tank missile developed by Israel, the German Panzerfaust III and the French Apilas squad-level anti-tank weapons are just a few of the many examples of systems that could contribute to the objectives of the Conventional Defense Initiative.

COPPERHEAD GUIDED PROJECTILE

Section 203 would prohibit funds authorized for appropriation by this or any previous Act from being used for product improvement or modification to the Army's Copperhead Guided Projectile until the Secretary of the Army certifies to the Congress that a second source contract for Copperhead production and production of the Navy's 5-Inch Guided Projectile has been awarded and a plan to provide maximum commonality of all subsystems have been completed.

The lack of commonality between Navy and Army guided projectiles and the lack of competition has been a long standing concern of the committee. The price of these projectiles is excessive and the management of both programs by both Army and Navy has led to waste and abuse. Service parochialism is wasting the taxpayers' money and is adversely impacting on our combat forces. The Army's fuze, for example, is far superior to the Navy's yet each service uses its own fuze. The Navy's microprocessor is less expensive and further ahead in development than the Army's. Yet the Army continues to spend millions of dollars to develop its own microprocessor. The prospects for commonality of both projectiles exceeds 80 percent, yet both projectiles today have little, if any, commonality. The committee cautions against the "business as usual" approach taken by the services on the Copperhead and 5-Inch Guided Projectile programs. Commonality and competition must occur during fiscal year 1987.

CREW SYSTEMS TECHNOLOGY

A problem of particular concern is providing aircrew members with adequate ocular protection. The committee is aware that acceleration of the Ocular Integration Subsystem within project 2830 appears feasible, leading to the possibility of early production in fiscal year 1989. Accordingly, the committee directs that within the Crew Systems Technology program, project 2830 be authorized at $2.764 million, with the increase of $860,000 to be added to the budgeted amount for the Ocular Integration Subsystem.

ELECTROMAGNETIC PULSE RADIATION ENVIRONMENT SIMULATOR FOR SHIPS

The committee authorizes the requested funds for the Electromagnetic Pulse Radiation Environment Simulator for Ships (EMPRESS), a program to develop a threat level electromagnetic pulse (EMP) capability for assessing, validating and maintaining EMP hardness of surface ships. The committee has been advised by the Navy that no plans exist to produce an electromagnetic pulse at this facility until all requirements of the National Environmental Policy Act have been satisfied. The committee directs the Navy not to create an electromagnetic pulse with the EMPRESS facility until all environmental laws are satisfied and that, in any event, no electromagnetic pulse should be generated during fiscal year 1987.

ELECTRO-MAGNETIC RADIATION SOURCE ELIMINATION (ERASE) SYSTEM TECHNOLOGY

The Electro-Magnetic Radiation Source Elimination (ERASE) program explores innovative defense suppression concepts and improved anti-radiation missile guidance systems. The Naval Weapons Center, China Lake, California, has greatly advanced the state of ERASE technology. Although the return on investment has been extremely high in this area, the time required to bring promising new low cost concepts into feasibility demonstrations has been lengthening and, accordingly, is of concern to the committee.

In fiscal year 1986, the Congress provided authorization of $16.149 million for the ERASE program. Specifically, the Navy was to demonstrate a broad frequency band gimballed seeker for a missile. The committee has learned that the Navy did not provide these funds to China Lake for this purpose and in fact planned to use the appropriation for other purposes. The Secretary of the Navy is to ensure that these funds are provided to China Lake for this purpose and is to provide a copy of the program plan to the Committees on Armed Services of the Senate and the House of Representatives not later than December 31, 1986.

F-16 CENTRAL AIR DATA COMPUTER

The committee believes that to enhance competition and reduce procurement costs the military departments should develop second sources whenever cost effective. For example, an original cost competition on the CADC (Central Air Data Computer) for the F-16 aircraft encouraged by members of the committee resulted in a reduction in costs of $8 million over the previous price. At present two companies produce the CADC for the F-16. Both CADC computers are currently deployed—one on Israeli aircraft and one in the U.S. inventory. The Air Force is directed to complete and provide to the Committees on Armed Services of the Senate and House of Representatives within 90 days a study of the cost effectiveness of establishing a second source for CADCs for the U.S. inventory. In its study, the Air Force should take into consideration the fact that a second source has already been qualified for sales to Israel and is currently deployed on Israeli F-16s.

FORWARD AREA AIR DEFENSE

The committee is concerned the Army is not utilizing the highly sophisticated radar equipment developed and procured under the cancelled SGT York program. The committee recommends the Army adapt radar equipment available from the SGT York program to fulfill its requirement for a Forward Area Air Defense Sensor. This approach is expected to save over $250.0 million in new hardware procurement.

FREE ELECTRON LASER

In the report accompanying H.R. 1872, the Department of Defense Authorization Act, 1986 (H. Rept. 99-81), the committee expressed its strong support for the exploitation of free electron lasers for medical research. This was a committee initiative in fiscal year 1985 and the program, if successful, will greatly enhance human tissue treatment, the prospects for bloodless surgery and a host of other medical treatments. The Congress appropriated $12.5 million in fiscal year 1986 for this program. This year, the committee recommends authorization of $15.0 million to continue the excellent work performed by the participating universities and the Uniformed Services University for the Health Sciences. Section 206 would require that this authorization be used only for the research and material requirements of the Free Electron Laser for Medical Research Program.

INTEGRATED PLATFORM COMMUNICATION DEVELOPMENT

The committee recommends authorization of $69.021 million derived from the Take-Charge and Move Out Advanced Communication Suite, Submarine Communications and Integrated Communication Systems programs to initiate a new program entitled Integrated Platform Communication Development.

The Navy currently has separate efforts for the development of external communications systems for the E-6A TACAMO Strategic Communications Aircraft, SSN-21 Attack Submarine and the

DDG–51 Destroyer. The purpose of each system is to allow the ship or aircraft to effectively communicate with other platforms.

The committee notes that these development efforts could cost up to $300 million during the next several years to integrate different configurations of the same equipment. The committee has learned that the Navy has considered a less costly plan that would utilize a common system architect. The Assistant Secretary of Defense for Command, Control, Communications and Intelligence has recently stated "the selection for a common architect for these three classes of platform and the attainment of maximum commonality in hardware and software modules is essential to minimize duplication of effort and life-cycle costs." The Integrated Communication System/Shipboard Communications Area Network (SCAN) appears to be an excellent choice to perform this function because it uses techniques and technology previously developed by the Navy.

Two recent Navy studies also support the consolidation of this development effort using SCAN technology which is currently being developed for the DDG–51 ship only. One Navy study made the candid comment "the program managers and sponsors will fight to maintain sole control of the critical elements of the program. This fight is likely to result in . . . stonewalling any efforts to consolidate." The committee has learned that, as a result of this bureaucratic in-fighting, the Navy has not only rejected the idea of consolidation but has cut fiscal year 1986 funding for the SCAN in half and is seriously considering termination of the program in fiscal year 1988.

The committee advises that the Navy should proceed expeditiously toward a consolidation of the three systems beginning in fiscal year 1987 and should restore funds taken from the SCAN in fiscal year 1986.

The committee directs that none of the authorization of $69.021 million authorized for fiscal year 1987 be obligated or expended until a joint program office is established and staffed to manage the consolidation effort and notification made to Committees on Armed Services and Appropriations of the Senate and the House of Representatives.

LIBYAN LESSONS LEARNED

The Libyan conflict occurred after the Administration's budget request and, therefore, does not reflect potential chances due to the Libyan lessons learned. These changes, which could include improvements in night attack capability, weapons, RPV's, communications, inventory replacement, etc., would not normally be addressed during this budget cycle but as part of the President's fiscal year 1988 budget submission.

The committee believes that the Navy needs to take timely advantage of the Libyan lessons learned. The committee recommends an additional authorization (sec. 204) of $50.0 million for research, development, test and evaluation. The additional authorization can be funded from otherwise appropriated prior year or fiscal year 1987 funding.

LIMITATION ON TESTING OF ANTI-SATELLITE WEAPONS

The committee determined that the United States should only agree to a moratorium on the testing of the U.S. anti-satellite (ASAT) weapon if the President certifies to Congress that the Soviet Union has dismantled all of its dedicated anti-satellite weapons. Section 215 would require this certification. Since the resumption of the START talks in 1983, the Soviet Union has pushed for a comprehensive ban on the testing of dedicated anti-satellite weapons. As noted in testimony before the committee, the Soviets already have an operational ASAT system that can be utilized to destroy U.S. assets in low earth orbit. The committee believes that a logical follow-through to the Soviet's current initiative to ban testing of ASATS in outer space would be to dismantle their operational system.

MELIOS LASER RANGE FINDER

The purpose of the Melios program is to develop a low-cost laser range finder for the infantry to improve the delivery of weapons. The current system the AN/GVS-5 is not eye-safe and is a hazard to friendly troops in close proximity.

The committee is concerned with the acquisition strategy planned by the Army. The current strategy encourages a "winner take all" approach. Because the Army requirement is for over 40,000 new laser range finders, this acquisition strategy is not in the best economic interest of the government. Accordingly, the committee recommends that the Army be required to maintain two competitive sources for full-scale engineering development and develop an acquisition strategy that will obviate a sole source procurement and/or a "buy in".

SHIP SYSTEMS ENGINEERING STANDARDS

The Ship Systems Engineering Standards (SSES) program is an effort to bring the Navy shipbuilding program into the twenty-first century by introducing the concept of designing modular, variable payload ships. This program, which promises dramatic improvements in ship design, construction and readiness (with substantial cost savings) has been of special interest to the committee and other Congressional committees responsible for the defense budget for several years. The committee reaffirms its interest in and strong support for the SSES program and recommends the requested authorization of $1.994 million. The committee believes that the program should be accorded the status and funding necessary to meet the schedule for future ship applications including the FFX and the NATO Frigate. The committee directs the Navy to maintain the program as a separate line item because of the need to recognize the growing importance of this concept.

SPECIAL FOREIGN CURRENCY

Section 202 would authorize $3.5 million for the purchase of foreign currencies, $3 million for a Navy research program and $0.5 million for a Uniform Services University of Health Sciences research program.

STANDOFF ATTACK MISSILE

The committee denied specific authorization for the Standoff Land Attack Missile (SLAM), a Navy program to modify the Harpoon missile for an air-to-surface, land attack capability. The committee is concerned about the capability of this system as compared to systems that have been terminated in the past. The committee would not object to the Navy continuing this program within its total authorization. This action, however, would be predicated upon the Secretary of the Navy providing to the Committees on Armed Services of the Senate and the House of Representatives the results of a trade-off analysis of the SLAM with the Medium Range Air-to-Surface Missile. Not more than $37.5 million is available for the SLAM program. Section 204 would limit the use of funds for the SLAM according to these guidelines.

TACTICAL AIR INTELLIGENCE SYSTEMS ACTIVITIES

Although the committee recommends authorization of the entire requested amount, the committee is concerned that the R&D program described by the Air Force does not take advantage of currently existing alternatives that could be implemented at much lower cost. For instance, this program makes no use of existing European (especially German) postal telephone and telegraph nets (PTT), which are known to be highly survivable to both conventional and nuclear attacks because they have a large number of distributed nodes. Simple systems consisting of cleverly programmed minicomputers and a standard cryptological set have been demonstrated with dispersed units in the field during exercises in Germany and are found to be practically invulnerable and to have high available band width. The Air Force should not rely totally on RF communications, but should seriously analyze whether these PTT based systems will work for the Air Force.

TESTING

Section 213 would establish an Assistant Secretary of Defense for Operational Test and Evaluation and a staff of not less than 40 personnel. This provision would amend section 136 of title 10, United States Code.

Section 214 would require live-fire testing of certain systems and munitions prior to entering production and would establish a civilian director for this program. This section would also require the conduct of independent operational tests and evaluations of major conventional weapon systems designed for use in combat.

UNIVERSITY RESEARCH AND RESEARCH FACILITIES

The committee is concerned about the rapidly increasing practice of congressional earmarking of defense research and development funds for specific university research and research facilities projects. In hearings on the fiscal year 1987 Defense authorization bill, the committee explored the matter with witnesses for the Department of Defense and for the university research community. They shared the committee's concerns. Spokesmen for the Department of Defense and for universities vigorously oppose the practice on the grounds that it threatens to weaken the effective, efficient, merit-based means of allocating national research resources. The committee strongly agrees with this view.

If it were possible to do so, the committee would propose to erect a permanent bar against the earmarking of funds for research and research facilities projects. Absent that option, the committee wishes to re-emphasize the grave dangers posed by the substitution of other means and criteria for open competition and rigorous determinations of scientific and technical merit. The continued health and productivity of the research enterprise depend on the ability to maintain the means for making difficult but necessary judgments of quality. Erosion of the merit-based competitive research system surely will weaken the long-term national security just as much as reductions in force structure. It also could compromise the continued development of important new competitive university programs, including the University Research Initiative. Therefore, the committee urges all who are concerned with the future health of our university research and training base to resist engaging in the practice of earmarking funds for university research and research facilities projects.

V-22 OSPREY

The purpose of the V-22 Osprey program is to develop a tilt-rotor aircraft to meet the Marine Corps assault transport requirement.

The committee is concerned that although the V-22 has multimission and tri-service application, the Marine Corps is the only service to have made a commitment to development and production. In a limited budget environment, an investment of over $2.5 billion in development and many billions more in procurement for a specialized single-service aircraft is not practical.

The committee has learned that the Navy is considering using a V-22 for its anti-submarine warfare mission as a replacement for the current S-3A anti-submarine warfare aircraft. The committee made this same recommendation in 1983 but was advised by the Navy that the V-22 was not a cost or performance effective aircraft for this mission. Since that time, no technological breakthroughs have occurred and no reasons have been given as to why the V-22 has suddenly become the Navy's choice. The committee is pleased with this recommendation but doubts whether the Navy has fully thought through this plan. Accordingly, the committee has authorized $170.0 million for the V-22 and would not object to the Navy allocating up to an additional $170.0 million from within its total authorization. This action, however, would be predicated upon a certification by the Secretary of the Navy that the V-22 is capable of performing the ASW mission and is the most cost effective aircraft for this mission. Not more than $170 million could be obligated or expended, with another $170 million being available following the certification. Section 204 would limit the use of funds for the V-22 aircraft according to these guidelines.

WEAPONS AND AMMUNITION

The committee is aware of the demonstration of a lightweight individual munition launched from an unmodified M-16 rifle.

Arming such a munition with a shaped-charged warhead may answer the pressing need for an anti-armor weapon for light and unconventional forces. The committee recommends an authorization of $20.0 million for development, test and qualification of such a munition, with a goal of reaching a production decision milestone within two years. This effort is to be established as a project with the Army's Weapons and Ammunition program.

TITLE III—OPERATION AND MAINTENANCE AND WORKING CAPITAL FUNDS

OVERVIEW

The committee recommends authorization of $82,769,800,000 for Department of Defense Operation and Maintenance activities and $1,155,800,000 for Working Capital Funds in fiscal year 1987. These figures are $3.8 billion and $41.5 million, respectively, below the amounts contained in the budget request.

The committee recommended various adjustments within the Operation and Maintenance and Working Capital Funds accounts totaling approximately $4.5 billion. Major adjustments include:

(1) $2,663.7 million reduction based on stock fund refund to the O&M customer accounts in fiscal year 1986 due to lower than expected fuel costs in fiscal year 1986 and projected savings in the amount budgeted for fiscal year 1987.

(2) $230 million reduction based on industrial fund refund to the O&M customer accounts in fiscal year 1987 due to greater than projected profits in fiscal year 1986.

(3) $52 million reduction based on committee staff investigations.

(4) $36.6 million increase for drug interdiction initiatives.

The authorization recommended would provide approximately 7 percent real growth in the operation and maintenance accounts.

(5) $495.0 million increase to the foreign currency fluctuations, defense appropriations to offset the impact of the unanticipated and dramatic decline in the value of the dollar on the readiness and quality of life programs for United States Forces stationed abroad.

For the third year in a row, the committee took special pains to limit reductions in the operation and maintenance requests. This amount not only provides funding to support the continuation of readiness and quality of life initiatives since 1981 but also repairs much of the damage stemming from the sequestration cuts in fiscal year 1986.

Fiscal Year 1987 DoD Authorization Bill--O&M and Working Capital Funds
Summary Table

[Amounts in millions of dollars]

Service/Agency	Fiscal Year 1987 Request	Committee Recommendation	Change From Request
Army	21,341.9	20,742.8	(599.1)
Navy	25,688.5	24,437.0	(1,251.5)
Marine Corps	1,864.1	1,845.7	(18.4)
Air Force	21,214.5	19,562.6	(1,651.9)
Defense Agencies	6,833.2	6,728.1	(105.1)
Army Reserve	793.1	789.8	(3.3)
Navy Reserve	975.9	907.5	(68.4)
Marine Corps Reserve	65.3	64.8	(0.5)
Air Force Reserve	975.6	927.1	(48.5)
Army National Guard	1,786.9	1,790.1	3.2
Air National Guard	1,932.7	1,783.1	(149.6)
Rifle Practice, Army	0.9	4.3	3.4
Claims, Defense	155.6	153.1	(2.5)
Court of Mil. Appeals	3.4	3.4	0.0
Pan American Games	15.0	15.0	0.0
Environmental Restoration	385.9	385.9	0.0
Military Health Care	1,740.5	1,569.5	(171.0)
Humanitarian Assistance	0.0	6.0	6.0
Foreign Currency Fluctuations, Defense	0.0	495.0	495.0
Civilian Pay Raise	735.0	559.0	(176.0)
Total O&M	86,508.0	82,769.8	(3,738.2)
Army Stock Fund	296.7	286.7	(10.0)
Navy Stock Fund	478.5	458.5	(20.0)
Marine Corps Stock Fund	45.9	44.4	(1.5)
Air Force Stock Fund	239.4	239.4	0.0
Defense Stock Fund	136.8	126.8	(10.0)
Total Stock Funds	1,197.3	1,155.8	(41.5)
Legislative Contingencies	102.6	0.0	(102.6)
Total O&M & Stock Funds	87,807.9	83,925.6	(3,882.3)

MAJOR POLICY ISSUES

STOCK FUND FUEL REFUND

Almost all defense fuel purchases are made through the stock fund. The stock fund "sells" the fuel to the "customer" at a stabilized price (i.e., the price approved by the Congress in the budget). Under this concept, the difference between actual costs and stabilized price is reflected as a gain or loss to the stock fund, with a corresponding increase or decrease in cash on hand. Prices in future years are established taking into account the gains or losses in previous years and the changing cash position of the stock fund.

During its review of the fiscal year 1987 operation and maintenance request, the committee found that fuel prices have dropped in the past several months compared to Department of Defense projections when the fiscal year 1986 fuel budget was prepared. This results in a projected increase in the assets of the stock fund of $663.6 million during fiscal year 1986.

In addition, the committee expects fuel prices to remain substantially below the fiscal year 1987 stabilized price throughout fiscal year 1987. Based on the assumption that fuel prices will decrease from the current stabilized price of $31.50 per barrel to a composite price of $21.13 per barrel, an increase in the assets of the stock fund of $2 billion is expected during fiscal year 1987.

Together, these adjustments will increase the assets in the Defense Stock Fund of $2663.6 million through fiscal year 1987. These savings can be passed on to the O&M customer in the form of Stock Fund refunds. Accordingly, the committee recommends the following reductions in authorization based on expected stock fund assets generated because of lower fuel prices in fiscal year 1986 and 1987.

[In millions of dollars]

	Reductions
Army	−185.7
Navy	−889.7
Marine Corps	−12.6
Air Force	−1,254.3
Army Reserve	−7.5
Naval Reserve	−63.9
Marine Corps Reserve	−0.7
Air Force Reserve	−60.5
Army National Guard	−27.8
Air National Guard	−160.9
Total	−2,663.6

INDUSTRIAL FUND PROFITS

Department of Defense activities set up under the Industrial Funds essentially operate as a non-profit business. The industrial fund activity charges Defense customers for services at a price sufficent to recoup their operating costs. In order to attempt to achieve no cumulative profits, the industrial funds will fluctuate prices between years in order to earn more or fewer profits in that year. Despite efforts by the department to lower profits in fiscal year 1985 and congressionally directed refunds in the fiscal year 1986 Continuing Resolution (Public Law 99-190), the industrial funds are continuing to earn excess profits. Lower than anticipated inflation and improved contract management have resulted in lower costs to the industrial fund which generate excess profits.

The committee has reviewed cash balances and profits in the industrial funds and has determimed that fiscal year 1986 operating results will leave the industrial funds with cash in excess of the department's projections of $200 million. The committee recommends these fiscal year 1986 excess profits be refunded back to the service operation and maintenance (O&M) account customers in fiscal year 1987. Accordingly, the committee recommends the following reductions in authorization based on offsetting refunds from the industrial funds:

[In millions of dollars]	*Reductions*
Army	−90
Navy	−70
Air Force	−70
Total	−230

MEDICAL PROGRAMS—LEGISLATIVE CONTINGENCIES

The fiscal year 1987 President's request contained a number of budget adjustments based on the enactment of legislative proposals that were pending or that were to be submitted to Congress. Two legislative contingencies—CHAMPUS/Medicare Linkage and Coordination of Benefits—were enacted as part of the Deficit Reduction Amendments of 1985 (Public Law 99-272). In addition, the committee recommends a provision on Health Care Enrollment that would result in savings. Accordingly the committee recommends the reduction of $186 million in authorization for the following medical programs associated with legislative contingencies:

[In millions of dollars]

	Army	Navy	Air Force	Defense agencies	Total
Program:					
CHAMPUS/Medicare linkage (Military Health Care Account)				−171	−171
Coordination of benefits	−5.3	−2.1	−2.6	0	−10
Health care enrollment	−2.7	−1.0	−1.3	0	−5
Total	−8.0	−3.1	−3.9	−171	−186

CLASSIFIED PROGRAMS

To reflect recommendations by the House Permanent Select Committee on Intelligence, the committee recommends the following reductions in authorization associated with classified programs:

[In millions of dollars]	*Reductions*
Army	−7.5
Navy	−11.1
Air Force	−9.7
Defense agencies	−102.6
Total	−130.9

UNIFORMED SERVICES TREATMENT FACILITIES (USTF'S)

The Department of Defense proposed in fiscal year 1987 to eliminate the special Uniformed Services Treatment Facility (USTF) designation held by ten former Public Health Service hospitals and clinics. The committee recommends denying this request because it does not believe that sufficient cost data exists at this time to warrant the elimination of the hospitals' special status.

Nonetheless, the committee remains concerned that the government's costs for the USTF's continue to exceed budgeted costs by a significant degree. Even newly negotiated rate agreements implemented in the fall of 1984 have failed to hold the line on costs. For example, from fiscal year 1983 to fiscal year 1985, USTF costs rose over 129 percent. The fee-for-service reimbursement mechanism clearly does not provide sufficient incentive for these facilities to control utilization and, consequently, to control the government's cost for USTF's. These facilities' costs can not be allowed grow at this rate while other federally-funded programs continue to experience the effects of current fiscal constraints.

Consequently, the committee recommends a reduction in authorization of $50 million in the fiscal year 1987 request and directs that USTF payments not exceed $115.2 million. Accordingly, the committee recommends the following reductions in the various O&M requests:

[In millions of dollars]	*Reductions*
Army	−19.4
Navy	−15.5
Air Force	−15.1
Total	−50.0

To achieve this reduction, the committee directs the Department of Defense to renegotiate USTF contracts in order to utilize capitation or other fixed amount payment mechanisms, to eliminate services not generally provided in military medical treatment facilities to non-active duty beneficiaries, and to require coordination of medical benefits with other insurance coverage. Further, to the extent necessary to provide services within this expenditure limit, the committee urges the Department of Defense to utilize its authority under section 1092 of title 10, United States Code, concerning health care studies and demonstration projects, to include revised USTF agreements and more cost conscious requirements, such as deductible and cost sharing by the beneficiaries. The committee expects that the terms included in the revised USTF agreements will continue to be much more favorable to beneficiaries than the terms, conditions and limitations applicable to the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) given the volume of services provided by USTFs and the nature of the special agreements.

DEPLOYABLE MEDICAL HOSPITALS

In accordance with the recommendation to deny the procurement of sets of equipment for deployable medical hospitals, the committee recommends a reduction in authorization of $69 million in the operation and maintenance request associated with those deployable medical hospitals as indicated below:

[In millions of dollars]

	Hospital sets of equipment	O&M reduction
Service:		
Army	9	−62
Navy	1	−3
Air Force	2	−4
Total	12	−69

MILITARY PERSONNEL SUPPORT

In view of the recommendation to reduce active and reserve end strength requests, the committee recommends the following reductions in operation and maintenance requests associated with the support of those military personnel:

[In millions of dollars]

	End strength reduction	O&M reduction
Component:		
Army	−100	−0.1
Navy	−9,400	−11.3
Marine Corps	−1,500	−1.8
Air Force	−730	−.9
Army Reserve	−1,000	−1.8
Naval Reserve	−2,687	−5.0
Marine Corps Reserve	−137	−.3
Army National Guard	−3,490	−6.0
Air National Guard	−187	−1.3
Total	−19,231	−28.5

MORALE, WELFARE AND RECREATION (MWR)

The committee has conducted a number of studies and investigations during the last few years concerning the use of appropriated funds for MWR activities. The latest guidance in this area is contained in Committee Print Number 12, Nonappropriated Fund Construction, 1986.

Overall, the committee is concerned with the lack of a common goal for funding MWR activities. The Army objective, for example, is to maximize appropriated funds wherever authorized while the Air Force and Navy goals are to minimize such support. These varying objectives are reflected in the services' budgets for the past few years. In 1984 the Army spent $516 per capita in appropriated funds for MWR activities while the Navy spent $353 and the Air Force spent $297 per capita.

The use of these funds also varies by service and activity. The Air Force, for example, allows considerable appropriated fund support for golf courses while the other services minimize it.

Direct appropriated fund support for MWR activities has increased by over 70 percent since 1980. There have been dramatic increases in support to clubs—over 70 percent—and general recreation activities—over 75 percent—since 1980. These funds are often being used to operate, repair and maintain revenue generating operations. Bowling centers, for example, are using appropriated funds to resurface bowling lanes and buy supplies. Many clubs are using appropriated funds for renovation and normal building upkeep. Other clubs are receiving appropriated funds even though their members are largely civilian employees. Air Force bases use appropriated funds to subsidize utilities for boat owners in marinas; others subsidize temporary lodging facilities. These expenditures are inconsistent with the congressional guidance of self-sufficiency for profit-generating activities.

The department should adopt an overall policy along the lines recommended by the committee. This policy should recognize the taxpayer responsibility to support non-revenue generating MWR activities like gymnasiums, libraries and recreation centers.

At the same time, the policy should stress that profit-generating MWR projects be operated on a business-like basis, with minimal appropriated fund support, similar to current package store operations. Fees for these activities should be raised to reasonable levels to cover all operating costs and generate profits for other MWR activities.

The department has been reticent to adopt and implement this guidance. The department is directed to develop its overall policy and revise its directives to incorporate congressional guidance by September 30, 1986. The committee is recommending reductions to the authorization request to account for these revised directives during fiscal year 1987.

	Specific reductions
Air Force	$10,000,000
Army	10,000,000
Navy	5,000,000
Defense agencies	2,000,000

OPERATION AND MAINTENANCE, MINOR CONSTRUCTION

Department of Defense directives state the policy for funding the construction of morale, welfare and recreation projects. There is an inconsistency in this funding policy between major and minor construction. For example, nonappropriated funds (NAF) *must* be used to construct some community-type facilities if they cost over $500,000 (major construction), yet these same facilities can be built with O&M minor construction funds if they cost under $200,000.

The General Accounting Office (GAO) is currently reviewing the O&M minor construction account to determine how these funds are being utilized. In an interim report during March, the GAO stated that the services were using their O&M minor construction funds to build projects that clearly violate the major construction guidelines but are approved because they cost less than $200,000. For example, the major construction funding policy clearly shows that all cabins, recreation lodges and golf courses should be built with nonappropriated funds. Yet, the Navy is building cabins and golf courses with minor construction funds. Other examples include golf course facilities, boat docks for private yacht clubs, sailboat facilities and officer club renovations.

The GAO also found that the services have little or no accountability over how these funds are being spent. Base commanders, in effect, are using O&M minor construction funds to build projects that are "nice to have" but would never be built if requested through congressional channels or would automatically be disapproved if they were major construction projects.

The committee believes the funding policy for major construction should also apply to minor construction projects. In addition, O&M funds should only be used to repair and maintain the structural integrity of profit generating facilities. All other repairs and renovations, except those to correct fire or life/safety deficiencies, should be considered normal operating expenses and funded with nonappropriated funds. The committee directs the department to modify its directives accordingly by September 30, 1986. The committee is also recommending a 5 percent reduction to the O&M minor construction requests to account for these revised directives.

	Reductions
Air Force	$7,000,000
Army	10,000,000
Navy	4,000,000
Marines	2,000,000
Defense agencies	2,000,000

STUDY OF ON-BASE FOOD AND HOSPITALITY SERVICE OPERATIONS

Committee hearings on nonappropriated fund (NAF) construction last year focused, in part, on problems faced by military on-base food and hospitality services. These problems have led to a large number of unprofitable operations despite being subsidized by significant amounts of appropriated fund support. The services continue to build and operate these facilities in the face of declining patronage and profitability trends.

In an attempt to reduce the amount of appropriated fund support, the committee directed an in-depth study of these operations. The study is to address the future of on-base food and hospitality services as business-like entities and as morale, welfare and recreation institutions. The study is to encompass all aspects of these operations in each service including: a determination of their institutional necessity; an analysis of their economic, competitive, and market environments; and development of strategic, operational, construction and design concepts.

The study should be administered by the Deputy Assistant Secretary of Defense (Military Manpower and Personnel Policy) who should ensure the independent effort of those individuals who conduct the study and the full cooperation of all Department of Defense organizations. The department should inform the committee of developments as the study progresses and submit the final report and implementation plan to the committee with the 1988 NAF construction program in July 1987. Accordingly, the committee recommends an authorization of $1,000,000 to conduct such a study. This authorization has been offset by other reductions.

STARS AND STRIPES

There are two *Stars and Stripes* newspapers, one is published in Europe and the other in the Pacific. They are classified as resale activities and are entitled to receive a minimum of appropriated fund support. Both are authorized, unofficial Department of Defense publications and operate independent of each other.

Appropriated fund support for the European and Pacific *Stars and Stripes* entities grew from $3.7 million in 1977 to about $9 million in 1984. As a result, the committee requested that the General Accounting Office (GAO) conduct a management and operational review to evaluate whether consolidation would be advisable.

In May 1986 GAO reported that three studies conducted by the department during the 1970's explored the possibility of consolidating the *Stars and Stripes* entities in order to resolve their financial difficulties. Rather than consolidate operations, *Stars and Stripes* chose other alternatives to improve their financial condition. These included increasing taxpayer support by using official Department of Defense mail for distributing newspapers and converting local nationals to appropriated fund positions. In addition, the department broadened its advertising policy allowing *Stars and Stripes* to compete with commerical publishers for advertising dollars by including brand names and prices.

Because of complaints received from commercial publishers concerning unfair advertising competition from the *Stars and Stripes* newspapers, the Joint Committee on Printing, in a September 18, 1985 letter to the Secretary of Defense, urged the Secretary "to review this matter seriously and (strongly recommended) that actions be taken to stop such competition with the private sector. The simplest solution, (it stated), would be to prohibit Stars and Stripes from carrying specific price and brand name advertising. . . ." Since that time, numerous meetings and consultations have taken place. As a result of these meetings, the Joint Committee has recommended as a first step that the department develop new policies for *Stars and Stripes* to minimize the impact resale and other government-sponsored advertising has on the private sector and to eliminate unfair advertising. The committee fully supports the Joint Committee on Printing on this issue and directs the Secretary of Defense to advise the Joint Committee and the Armed Services Committee on the new policies developed by January 15, 1987.

The GAO report recommends that the Secretary of Defense direct the *Stars and Stripes* to conduct a study addressing consolidation and alternative ways to reduce appropriated fund support. The committee does not believe any further studies are needed. Accordingly, the committee directs that *Stars and Stripes* submit to the committee by January 15, 1987, a plan for financial consolidation including strategies that reduce appropriated fund support to make *Stars and Stripes* more self-sufficient.

INVOLUNTARY ACTIVE DUTY SCREENING OF THE INDIVIDUAL READY RESERVE (IRR)

In the preparation of the fiscal year 1987 budget request, the operation and maintenance request for the involuntary active duty screening of the Individual Ready Reserve (IRR) was inadvertently placed in the reserve military personnel appropriation accounts. Therefore, the committee recommends an increase in authorization of $8.0 million in the following reserve operation and maintenance accounts to support this important readiness initiative:

	Increases
Army Reserve	$6,000,000
Naval Reserve	500,000
Marine Corps Reserve	500,000
Air Force Reserve	1,000,000
Total	8,000,000

DEFENSE AGENCIES, OPERATIONS AND MAINTENANCE

[In millions of dollars]

Fiscal year 1986 Defense Agencies O&M request	6,833.2
Reductions:	
Real growth reductions	(19.5)
Minor construction	(2.0)
Appropriated support for MWR programs	(2.0)
Classified programs	(102.6)
Increases:	
Food and hospitality services report	1.0
Enhance special operations unified command and control	20.0
Net committee adjustments	(105.1)
Committee recommendation	6,728.1

ITEMS OF SPECIAL INTEREST

Real growth reductions

In attempting to reconcile military requirements with emerging budget realities, the committee recommends reductions by slowing growth instead of reducing the level of effort in major programs. The committee believes that reductions in activities experiencing significant real growth would limit adverse readiness implications and mitigate program turbulence within the Defense-wide O&M accounts. Accordingly, the committee recommends the following reductions in authorization without prejudice:

	Program growth in request	Reduction
Defense Mapping Agency	40.1	−4.0
Defense Logistics Agency	105.1	−10.0
American Forces Information Services	4.2	−1.0
Defense Medical Support Agency	28.6	−1.5
Office of the Secretary of Defense	5.2	−1.0
Washington Headquarters Services	9.1	−2.0
Claims Defense	12.3	−2.5
Total	204.6	−22.0

Enhanced special operations unified command and control

In view of the Department of Defense internal proposals for unification of special operations command and control and pending legislation calling for such unification in fiscal year 1987, the committee recommends an increase in authorization of $20.0 million. This increase would provide transition funding for operations during reorganization in fiscal year 1987 until such time as savings can be realized from the absorption or disestablishment of redundant elements.

OTHER DEFENSE AGENCIES, OPERATION AND MAINTENANCE

[In millions of dollars]

	Administration fiscal year 1987 request	Committee recommendations	Net change from request
Agency:			
National Board for the Promotion of Rifle Practice	0.9	4.3	3.4
Claims, Defense	155.6	153.1	(2.5)
Court of Military Appeals	3.4	3.4	0
Pan American Games	15.0	15.0	0
Environmental restoration, Defense	385.9	385.9	0
Military Health Care Account	1,740.5	1,569.5	(171.0)
Foreign currency fluctuations, Defense	0.0	495.0	495.0
Humanitarian aid to Afghanistan	0.0	6.0	6.0
Total	2,301.3	2,632.2	330.9

ITEM OF SPECIAL INTEREST

Foreign currency fluctuations, defense

Since 1979, operation and maintenance (O&M) programs have been protected from unfavorable currency fluctuations as a result of the existence of a transfer fund called Foreign Currency Fluctuations, Defense. Apart from an initial appropriation, the Foreign Currency Fluctuations Fund has been replenished as a result of more favorable currency rates than reflected in the budget and the transfer into the fund of prior year O&M unobligated balances. In recent years, these revenues have not only provided adequate balances to cushion against unfavorable currency fluctuations but have been the basis of transfers to O&M accounts to protect program from the effects of congressional reductions.

However, since the preparation of the fiscal year 1987 request, an unanticipated and dramatic decline in the value of the dollar against other major currencies has been experienced. The committee has reviewed the balances of the Foreign Currency Fluctuations Fund and current projections indicate that the fund will be exhausted early in fiscal year 1987 with obligations exceeding cash balances by over $700 million. Absent any corrective action, United States forces stationed abroad would have to accommodate action, United States forces stationed abroad would have to accommodate this shortfall with reductions that would threaten readiness and quality of life programs.

Accordingly, the committee recommends an increase is authorization of $495 million for the Foreign Currency Fluctuations, Defense appropriation to address this serious problem and bring the impact of the projected shortfall to manageable proportions.

ARMY, OPERATION AND MAINTENANCE

[In millions of dollars]

Fiscal year 1986 Army O&M request	21,341.9
Reductions:	
Stock fund fuel refund	(185.7)
Industrial fund profits	(90.0)
Cap on uniformed services treatment facility funding	(19.4)
Coordination of benefits—Legislative contingency	(5.3)
Health care enrollment—Legislative contingency	(2.7)
Minor construction	(10.0)
Appropriated support for MWR programs	(10.0)
Deployable medical hospitals	(62.0)
6th Division support	(28.6)
Military personnel support	(0.1)
Classified programs	(7.5)
Real growth reductions	(177.8)
Net committee adjustments	(599.1)
Committee recommendation	(20,742.8)

ITEMS OF SPECIAL INTEREST

6th Division support

During its consideration of the fiscal year 1987 military construction request, the committee recommended the deletion of all authorization for military construction projects associated with the establishment of the 6th Division in Alaska. Because Army testimony indicated that the construction of facilities is the pacing item in the scheduled establishment of the 6th Division, the committee recommends a reduction in authorization of $28.6 million in the Army O&M request associated with increased support for the 6th Division in fiscal year 1987.

Real growth reductions

In attempting to reconcile military requirements with emerging budget realities, the committee recommends reductions by slowing growth instead of reducing the level of effort in major programs. The committee believes that reductions in activities expriencing significant real growth would limit adverse readiness implications and mitigate program turbulence within the Army O&M accounts. Accordingly, the committee recommends the following reductions in authorization without prejudice:

[in millions of dollars]

	Program growth in request	Reduction
ADP programs	89.5	−40.0
Army civilian training education and development system	3.0	−1.0
Civilian personnel offices	1.5	−1.0
Commercial activities	23.0	−9.8
Force modernization	150.9	−40.0
Other depot storage	5.2	−3.0
Contract studies	17.0	−15.0
Romote Multimedia Mode Education Network	4.0	−1.0

[in millions of dollars]

	Program growth in request	Reduction
Care of supplies in storage	10.8	−4.0
Family action programs	33.1	−6.0
Civilian substitution	37.1	−10.0
CONUS Base Telephone Modernization Program	4.7	−1.0
Conventional ammunition demilitarization	11.0	−6.0
Civilian Training, Education and Development Intern Program	2.6	−1.0
Local area networks	4.0	−1.0
Manpower Requirements and Documentation Agency	2.2	−1.0
Other force structure	8.4	−4.0
Rail program	4.5	−1.0
Recruiting support	4.4	−1.0
Transfer of personal property	2.3	−1.0
Leased communications	7.0	−3.0
Maintenance support activities	6.0	−2.0
Supply activities	15.0	−5.0
Real property maintenance	580.0	−20.0
Total	1,027.2	177.8

NAVY, OPERATION AND MAINTENANCE

[In millions of dollars]

Fiscal year 1987 Navy O&M request	25,688.5
Reductions:	
Stock fund fuel refund	(889.7)
Industrial fund profits	(70.0)
Base operations support [BOS]	(10.0)
Morale, welfare and recreation-related [BOS]	(5.0)
Morale, welfare and recreation-related minor construction	(4.0)
Military personnel support	(11.3)
Depot maintenance	(215.0)
Modernization	(8.0)
Command, control and communication	(2.0)
Supply operations	(3.0)
Cap on Uniformed Services Treatment Facilities funding	(15.5)
Deployable medical hospitals	(3.0)
Medical programs (legislative contingencies)	(3.1)
Administration	(0.8)
Classified programs	(11.1)
Net committee adjustments	(1,251.5)
Committee recommendation	24,437.0

ITEMS OF SPECIAL INTEREST

Depot maintenance

The Navy's fiscal year 1986 operation and maintenance request projected an unfinanced backlog in depot maintenance of $481.1 million for 1986. The committee is pleased to note that the fiscal year 1987 request indicates a current estimate of $60.1 million for the 1986 backlog. That encouraging information is somewhat offset by a projected increase in the unfinanced backlog to $140.0 million for fiscal year 1987. The committee is optimistic that a combination of measures similar to those which reduced the 1986 backlog will result in the Navy reducing the 1987 projected backlog.

The Navy's fiscal year 1987 operation and maintenance request includes funding to overhaul and refuel five Poseidon Class ballistic missile submarines (SSBN's). A recent decision by the Administration to dismantle two of the five SSBN's, rather than to overhaul and refuel them, should result in a substantial savings.

The Navy's industrial fund activities are currently the subject of a comprehensive management analysis by a firm under contract to the Navy. Preliminary informal information indicates that the Navy should be able to realize significant savings as the recommendations of the analysis are implemented.

Additionally, the General Accounting Office (GAO) has conducted several studies related to various aspects of naval shipyard and naval air rework facility (NARF) operations during the last several years. The results of these studies, as well as informal liaison with GAO personnel, indicate a potential for significant savings through improved management and operation of shipyards and NARF's.

In light of the above information, the committee recommends a reduction of $215.0 million to the request for depot maintenance funding.

Real growth reductions

In attempting to reconcile military requirements with emerging budget realities, the committee sought to make reductions by slowing growth instead of by reducing the level of effort in major programs. The committee believes that reductions in major programs or broad categories experiencing significant real growth will minimize adverse readiness implications and mitigate turbulence within Navy operation and maintenance accounts.

Several of the funding categories (e.g. Base Operations Support and Modernization) identified below are included in more than one of the separate Navy operation and maintenance budget activity (BA) accounts. In addition, even though a budget activity may have overall negative real growth, a particular funding category within that budget activity may have significant real growth. For example, BA-2 (General Purpose Forces) has negative program growth of $430.3 million; however, within BA-2, Base Operations Support has real growth of $118.6 million or 10.7 percent.

It is on this basis that the real growth reductions below are made. Accordingly, the committee recommends the following reductions without prejudice:

Funding category:	*Reduction*
Base operations support	$10,000,000
Command, control and communications	2,000,000
Modernization	8,000,000
Supply operations	3,000,000
Administration	800,000

MARINE CORPS, OPERATION AND MAINTENANCE

[In millions of dollars]

Fiscal year 1987 Marine Corps O&M request	1,864.1
Reductions:	
Stock fund fuel refund	(12.6)
Morale, welfare and recreation-related minor construction	(2.0)
Military personnel support	(1.8)
Base operations support [BOS]	(2.0)

Net committee adjustments	(18.4)
Committee recommendation	1,845.7

AIR FORCE, OPERATION AND MAINTENANCE

[In millions of dollars]

Fiscal year 1987 Air Force O&M request	21,214.5
Reductions:	
Stock fund fuel refund	(1,254.3)
Industrial fund profits	(70.0)
Modernization	(32.8)
Morale, welfare and recreation-related operations support	(10.0)
Morale, welfare and recreation-related minor construction	(7.0)
Military personnel support	(0.9)
Cap on uniformed services treatment facility funding	(15.1)
Deployable medical hospitals	(4.0)
Medical programs (legislative contingencies)	(3.9)
Classified programs	(9.7)
Space shuttle operations	(244.2)
Net committee adjustments	(1,920.7)
Committee recommendation	(19,562.6)

ITEMS OF SPECIAL INTEREST

Modernization

The recommended reductions to the fiscal year 1987 request for procurement and RDT&E result in lower requirements for associated operation and maintenance. Accordingly, the committee recommends a reduction of $32.8 million corresponding to reduced levels of procurement and RDT&E.

Increase in space shuttle operations

In view of the disruption in the shuttle program that will result in launch schedule delays throughout fiscal year 1987 and 1988, the committee recommends that requests for increases in space shuttle operations funding be deferred until fiscal year 1988 and later. Accordingly, the committee recommends that the $244.2 million requested on the basis of an expected increase in fiscal year 1987 launches be denied.

ARMY RESERVE, OPERATION AND MAINTENANCE

[In millions of dollars]

Fiscal year 1987 Army Reserve O&M request	793.1
Reductions:	
Stock fund fuel refund	(7.5)
Full time active personnel support	(1.8)
Increase: Involuntary active duty screening of the IRR	6.0
Net committee adjustments	(3.3)
Committee recommendation	789.8

NAVY RESERVE, OPERATION AND MAINTENANCE

[In millions of dollars]

Fiscal year 1987 Navy Reserve O&M request	975.9
Reductions:	
Stock fund fuel refund	(63.9)
Military personnel support	(5.0)
Increases: Individual Ready Reserve screening	.5

Net committee adjustments	(68.4)
Committee recommendation	907.5

MARINE CORPS RESERVE, OPERATION AND MAINTENANCE

[In millions of dollars]

Fiscal year 1987 Marine Corps Reserve O&M request	65.3
Reductions:	
Stock fund fuel refund	(.7)
Military personnel support	(.3)
Increases: Individual Ready Reserve screening	.5
Net committee adjustments	(.5)
Committee recommendation	64.8

AIR FORCE RESERVE, OPERATION AND MAINTENANCE

[In millions of dollars]

Fiscal year 1987 Air Force Reserve O&M request	975.6
Reduction: Stock fund fuel refund	(60.5)
Increases:	
Individual Ready Reserve screening	1.0
Installation of Government furnished equipment [GFE] drug interdiction radar modification	10.0
Installation of drug interdiction tanker modifications	1.0
Net committee adjustments	(48.5)
Committee recommendation	927.1

ITEMS OF SPECIAL INTEREST

Reserve installation of Government furnished equipment (GFE) APG-63 radar modifications

As part of the Department of Defense-approved plan for increased military support to civilian drug interdiction, four each Air Force reserve special operations/combat rescue KC-130's and HC-130's will be modified with APG-63 look-down radar for drug detection and surveillance. Accordingly, the committee recommends that the Air Force O&M authorization be increased by $10.0 million for the purpose of installing the radar modification to these eight aircraft.

Reserve installation of drug interdiction tanker modifications

The four HC-130 special operations/combat rescue aircraft to be utilized in military support to drug interdiction will require installation of modifications to permit aerial refueling of long-range HH-3 special operations helicopters. The committee recommends that the Air Force Reserve O&M authorization be increased by $1.0 million for this purpose.

ARMY NATIONAL GUARD, OPERATION AND MAINTENANCE

[In millions of dollars]

Fiscal year 1987 Army National Guard O&M request	1,786.9
Reductions:	
Stock fund fuel refund	(27.8)
Full-time active personnel support	(6.0)
Increase:	
Partial Federal support for armories	25.0

Guard support to drug interdiction operations	12.0
Net committee adjustments	3.2
Committee recommendation	1,790.1

ITEMS OF SPECIAL INTEREST

Partial Federal funding for armory operations, modification, repair and renovation

In fiscal year 1986, Congress appropriated $33 million for partial Federal funding for the operation, modification, repair, and renovation of Army National Guard armories due to the dramatic growth in the number of full time active personnel and military technicians needed to support increased Army National Guard missions. The fiscal year 1987 request does not contain funds for the continuation of this Federal support to Army National Guard armories. Therefore, the committee recommends an increase of $25 million in authorization to continue support for this congressional initiative to improve the ability of the Army National Guard to meet mission requirements and maintain readiness.

The Army Guard now performs a very significant portion of the total Army's combat support missions. Little doubt exists that the emphasis being currently placed on the reserve components will continue into the future. The committee, therefore, expects the Department of Defense and the Department of the Army to formulate future budget requests in a manner that will provide funds sufficient to meet the annual requirement.

Support to drug interdiction, operations and flying hour cost

In order to reimburse Army National Guard units operating under State control in support of civilian drug interdiction, the committee recommends that the O&M programs be increased by $12.0 million.

National Guard training in Central America

The committee is concerned that several states have refused to permit units of their National Guard to participate in overseas training, such as in Central America.

In doing so, they deny Guard members the opportunity for valuable training—an action that can adversely affect the readiness of their units and their reliability for contributing to Total Force requirements.

The committee, therefore, strongly urges the Chief, National Guard Bureau, to consider withholding Federal funds from those states that: (1) continue to refuse to participate in overseas training associated with their wartime mobilization and deployment mission; or (2) by refusing overseas training assignments, will prevent the National Guard from accomplishing its assigned mission.

AIR NATIONAL GUARD, OPERATION AND MAINTENANCE

[In millions of dollars]

Fiscal year 1987 Air National Guard O&M request	1,932.7
Reductions:	
Stock fund fuel refund	(160.9)
Military personnel support	(1.3)

Increases:	
Air Guard support to drug interdiction operations and flying hour cost	9.0
Installation of aircraft modifications	3.6
Net committee adjustments	(149.6)
Committee recommendation	1,783.1

ITEMS OF SPECIAL INTEREST

Guard operation and flying hour increase—drug interdiction support

In order to reimburse Air National Guard units flying under state control in support of civilian drug interdiction, the committee recommends that the Air National Guard operation and maintenance program request be increased by $9.0 million.

Guard installation of Government furnished equipment (GFE) radar modifications—drug interdiction support

In order to permit Air National Guard installations of government-furnished APG-63 look-down radars on current-service C-130 aircraft to provide Guard support to drug detection and surveillance, the committee recommends that the Air National Guard operation and maintenance request be increased by $3.6 million to provide for such installations.

WORKING CAPITAL FUNDS

[In millions of dollars]

	Administration fiscal year 1987 request	Committee recommendation	Net change from request
Activity:			
Army stock fund	296.7	286.7	(10.0)
Navy stock fund	478.5	458.5	(20.0)
Mrine Corps stock fund	45.9	44.4	(1.5)
Air Force stock fund	239.4	239.4	0
Defense stock fund	136.8	126.8	(10.0)
Total, DOD stock funds	1,197.3	1,155.8	(41.5)

ITEMS OF SPECIAL INTEREST

Peacetime inventory build reductions

Beginning in fiscal year 1984, the Department of Defense stock funds each received a direct appropriation to maintain the peacetime inventory at a level required to support the department's ongoing modernization effort. The request for fiscal year 1987 contains $761.4 million to support the fielding of new equipment items. In view of the recommended reductions in the fiscal year 1987 defense procurement request, as well as related operation and maintenance reductions, the committee recommends that the department's stock fund request be reduced by 40 million in authorization as indicated below:

[In millions of dollars]

	Administration fiscal year 1986 request	Committee recommended reductions
Activity:		
Army stock fund	128.1	-10
Navy stock fund	389.7	-20
Defense stock fund	90.2	-10

Marine Corps stock fund

The Marine Corps Stock Fund (MCSF) receives direct appropriations to add to the inventory of War Reserve Material (WRM). That inventory is held until such time as the stocks are issued to support and sustain operational force capabilities. WRM requirements are used to ensure the initial readiness and sustained wartime capability of the active Marine Amphibious Forces (MAF's) and the Marine Corps Reserve 4th Division and Airwing. War Reserve Material is organized into two areas: equipment support (consumable spares) and allowance items with the requirements for allowance items offset by the quantities held by the operating forces.

The fiscal year 1987 WRM request for $45.1 million is a 25 percent increase over the fiscal year 1986 request. In view of the recommended level of funding for allowance items for active operating forces, the committee recommends a $1.5 million reduction to the Marine Corps Stock Fund to be applied against War Reserve Material.

LEGISLATIVE PROVISIONS

SECTION 301(B)—GENERAL AUTHORIZATION FOR CONTINGENCIES

Section 301(b) of the bill would authorize, in addition to the amounts authorized to be appropriated in section 301(a) additional appropriations as may be necessary for budgeted increases in fuel costs and for costs associated with higher than budgeted inflation rates. In addition, section 301(b)(3) provides contingent authorization for subsequent appropriations for unbudgeted amounts for salary, pay, retirement, and other employee benefits.

Consequently, the Department of Defense would be able to act in a timely fashion and to avoid the necessity of separate authorization prior to the enactment of a supplemental appropriations to meet unforeseen or delayed fact-of-life operation and maintenance funding requirements.

SECTION 303—ASSISTANCE TO PAN AMERICAN GAMES

This section authorizes the Department of Defense and the services to provide assistance to the Pan American games to be held in Indianapolis, Indiana in 1987.

Support of this nature, as in the case of earlier authorization for the Lake Placid and Los Angeles Olympic games, is to be provided with the Department of Defense as "the supplier of last resort", principally for assistance in law enforcement and security measures.

The committee recommends authorization of $15.0 million for this purpose.

SECTION 304—PROHIBITIONS ON MANAGING CIVILIAN PERSONNEL BY END STRENGTHS AND ON CONTROLLING PERSONNEL NOT FUNDED BY GOVERNMENT

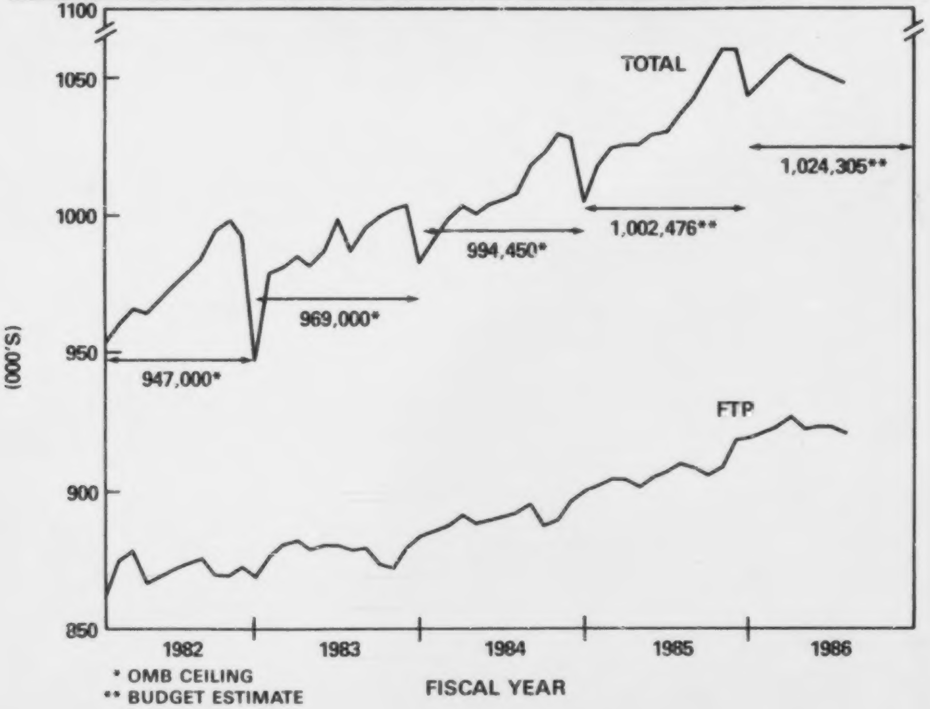
Section 304(c) would eliminate the requirement for the authorization of civilian personnel appropriations by end strength and section 304(a) would prohibit the Department of Defense from using end strength or any related methodology to manage civilian personnel.

For the third consecutive year, the committee recommends that Department of Defense civilians not be authorized or managed on the basis of end strength ceilings. The committee continues to believe that civilian personnel ceilings are inefficient and counterproductive because they tend to be arbitrary and not related to funded workloads or mission requirements. Whatever merits civilian end strength ceilings may have had in the past, they have been overtaken by the annual authorization of operation and maintenance accounts, which pay the vast majority of the Defense Department's civilian work force. Under the circumstances, the committee believes authorizing civilian end strength ceilings and the dollars associated with civilian hire is duplicative. With accounts as dynamic and diverse as those in the operation and maintenance accounts, dollars are clearly the most appropriate means of authorization.

In the past Congress had imposed civilian personnel ceilings on the Defense Department in the belief that Federal managers were inclined to hire more civilians than were justified. More often than not, however, these ceilings established manpower levels that bore little relationship to real world requirements of readiness and force mix.

Congress also hoped that ceilings would result in improved overall efficiency through the use of more private contractors, productivity enhancing capital investments, and temporary employees. The committee has found that the weight of evidence shows just the opposite to be the case. Instead of improving efficiency and allowing Department of Defense managers to make productive use of the work force, statutory civilian end strength ceilings actually forced them into other, more inefficient decisions and policies. Monthly Department of Defense civilian personnel levels for fiscal years 1981 through 1984 are shown in the following chart.

TOTAL AND FULL-TIME PERMANENT CIVILIAN EMPLOYMENT, DEPARTMENT OF DEFENSE



This chart shows slow, steady growth through ten months of each fiscal year followed by a dramatic drop starting in the final two months of each fiscal year. The dramatic drops represent the Department's fire/rehire cycle for a portion of the work force cut at the end of each year to meet the statutory ceiling constraints. This fire/rehire cycle was independent of funded workload and military readiness requirements. Consequently, this cycle—which involved up to 40,000 temporary employees—was wasteful and counterproductive, and it distorted national priorities by placing an arbitrary one-day ceiling control above defense requirements.

The full time permanent line on the same chart shows the relatively modest growth of the department's full-time permanent civilian work force. This is a more reliable indicator of the growth of funded workloads and mission requirements.

During fiscal years 1983 and 1984, the Defense Appropriations Acts exempted Defense industrially funded activities from civilian manpower ceilings. These exemptions were intended to test the Defense Department's ability to manage these activities without explicit year end ceiling controls. The test results were successful. Defense Department industrial fund managers did not significantly increase their overall civilian work force, and they avoided the costly fire/rehire cycle at the end of the fiscal year. In addition, industrial funded activities were able to respond to unexpected workload fluctuations; and they were able to hire and train new employees more economically and efficiently. Equally important, they encountered no adverse effects from this flexibility.

During fiscal year 1984, the Congress also exempted Army and Air Force National Guard and Reserve technicians from statutory civilian personnel ceilings with equally positive results.

Based on this favorable experience, during fiscal years 1985 and 1986, Congress enacted the committee's recommendation for a waiver of statutory and administrative civilian personnel ceilings for the entire Defense Department work force. In addition, the Secretary of Defense was directed to prepare a series of reports on Department of Defense civilian personnel management efforts to ensure that these resources were being used in a cost-effective manner, consistent with the well being of the work force and the successful accomplishment of assigned military missions.

The Defense Department's report on fiscal year 1985 operations without civilian ceilings indicated that the Defense Department exceeded its budgeted civilian end strength total by 3.8 percent. For the most part, this was the result of a host of individual decisions by program managers at all levels of the department. During fiscal year 1985, the department experienced an initial shock of decompression when scores of line managers attempted to "get well" after years of statutory and administrative hiring constraints. Notwithstanding the 3.8 percent growth in the numbers of personnel onboard at the end of the fiscal year, the department's civilian manpower dollar outlays exceeded budgeted levels by just over 2 percent.

This distinction is important and points to one of the drawbacks associated with the use of end strength ceilings. Constrained by dollars, field managers were using their civilian personnel dollars to purchase the services of a larger but relatively less expensive mix of manpower. The growth in overall employment also included a doubling of the department's part-time work force, which indicates more efficient use of manpower resources. These efficiencies could not have been achieved under end strength ceilings.

As a result of the change in managing the civilian work force by dollars instead of end strength, line and staff organization have implemented revised internal control procedures that ensure the civilian work force levels are aligned with funded workload. When these targets have been exceeded, the service or agency involved have implemented selective hiring freezes and restrictions that have reduced total personnel levels. The second quarterly report for fiscal year 1986 indicates a decline in the total Department of Defense civilian work force, and that the Defense Department apparently will meet or come near to its budgeted fiscal year 1986 work force estimates.

Based on the positive results of the 1983 and 1984 industrial fund experiments and the results to date from internal Department of Defense management controls on the overall civilian work force levels, the committee recommends the elimination of civilian personnel ceilings. At the same time, however, the committee intends to continue to exercise careful oversight of Department of Defense management of civilian personnel to determine whether further management actions or statutory guidance is necessary to improve dollar control methods.

Section 304(b) would exclude from any internal Department of Defense management controls civilian employees who are being paid from non-Government funds—primarily from contracts involving foreign military sales.

Section 305 of the Defense Authorization Act, 1985 (Public Law 98–525) authorized arsenals to enter into contracts with American engaged in foreign military sales. As a result, the arsenals would receive additional work, while improving the competitiveness of U.S. firms to sell military equipment abroad.

Recent efforts to impose internal management restrictions on all Department of Defense civilians has threatened the arsenals' ability to perform outside contract work associated with foreign military sales. Because the arsenals must perform government work first, civilians involved in non-Government work would be hardest hit, and restrictions of these civilians would impair the arsenals' ability to solicit and meet foreign military sales contract requirements. Such restrictions are not appropriate because these civilians are paid by non-Government funding and the inability of the arsenals to provide manufactured items would ultimately threaten the competitiveness of U.S. firms engaged in foreign military sales.

The same situation applies to other Department of Defense civilians paid from non-Government fundings, such as nonappropriated funded activities and those involved in test and research projects for contractors.

The committee believes that the exemption of these civilians from internal management controls is appropriate and consistent with the intent of section 305 of the Defense Authorization Act, 1985.

SECTION 305—CONTRACT PERSONNEL TO BE INCLUDED IN BUDGET JUSTIFICATION

This provision would amend section 2203 of title 10, United States Code, to require Secretary of Defense to capture and reflect, in budget justification materials provided to Congress, data regarding the numbers and costs of contract civilian employees in the same fashion as is done for Federal employees. This provision would make contract hire visible for the first time and provide Congress with the data that would improve its ability to judge the merits of decisions to contract out workload and services and its impact on the total Department of Defense civilian workforce, both Federal and contract.

SECTION 306—PROCUREMENT OF CERTAIN BAKERY AND DAIRY PRODUCTS OUTSIDE THE UNITED STATES

The Army and Air Force Exchange (AAFES), a nonappropriated fund instrumentality, has operated bakery and dairy plants overseas since the early 1950s. These facilities serve the direct needs of commissaries, exchanges, clubs, troop issue for dining halls and the fleet, as well as U.S. forces' wartime emergency requirements. Based on the projected needs of the services and with the approval of the committee, AAFES has invested about $24 million in nonappropriated funds in these facilities. The food plants use American-produced ingredients such as flour and milk products.

The Department of Defense has determined that the Competition in Contracting Act abrogates the agreement under which AAFES supplies food products to commissaries and troop issue because it requires that the government allow all responsible sources to bid on a contract to provide products for government use. However, because AAFES is prohibited from entering into contracts with appropriated fund activities, it would be precluded from bidding on a contract to supply bakery and dairy products. The committee finds that the continued operation of these bakery and dairy facilities is in the best interests of the military forces, AAFES, and its patrons. Continued operation of these facilities would not be possible if the Department were to purchase bakery and dairy products for troop support from suppliers other than AAFES. This provision would authorize the Department to continue its agreement to purchase its overseas bakery and dairy products from AAFES.

SECTION 307—FUNCTIONS OF MILITARY COMMISSARIES; PURCHASE OF ALCOHOLIC BEVERAGES BY NONAPPROPRIATED FUND INSTRUMENTALITIES

Military commissary stores provide authorized items for sale to authorized patrons at the lowest practicable prices in facilities designed and operated under standards similar to those in commercial grocery stores.

Section 307(a) would amend title 10, United States Code, to authorize commissary stores to make available certain types of grocery merchandise and to limit the sale of other products to meet the needs of the commissary patron. The amendment would also establish a uniform surcharge on the sale price of all merchandise sold in commissaries.

Section 307(a) would also protect commissary computerized electronic scanning sales data. This data has significant commercial value and should be released under terms of a written agreement that specifies the payment for such data.

The committee believes that a fee should be charged for this valuable business data. Such a practice is followed in the private sector. Revenue received would be deposited in the services' Commissary Trust Revolving Funds to reduce operating costs.

The fiscal year 1986 Continuing Resolution (Public Law 99-190) contained a provision that requires military installations to purchase alcoholic beverages from sources within the state where they are located. Prior to adoption of this provision the department could purchase from the most competitive source regardless of location. The department estimates this provision will raise its costs for alcoholic beverages by $20 million per year. The increased costs relate almost entirely to distilled spirits that were previously purchased directly from manufacturers. Purchases of malt beverages and wine are not affected to any extent by this provision because they traditionally are purchased from local sources.

The committee is concerned that the centralized procurement of alcoholic beverages focuses on price to the exclusion of other factors. Although price should be the principal factor in procuring distilled spirits, it is not in procuring malt beverages or wine. Local distributors of malt beverages and wine perform necessary services because of the characteristics of the products.

The committee recommends a return to competitive procurement of alcoholic beverages. Section 307(a) would allow the department to return to direct procurement of distilled spirits—the acceptable industry practice. Similarly, section 307(a) would reaffirm the current industry practice of purchasing malt beverages and wine from local sources.

In addition, section 307(c) would exempt defense agencies from the requirement to provide written notice of an award or rejection if the purchase is for perishable items.

Perishable subsistence items are not purchased in the same manner as weapon systems or nonperishable items. Section 2305(b)(4)(D) of title 10, United States Code, requires written notice to all unsuccessful offerers that their proposal was rejected. However, this requirement does not acknowledge that such purchases are made generally in terminal markets, and contracts are awarded within two or three hours of solicitation closing. As a result, the Defense Logistics Agency has been required to issue written notices of award or rejection to everyone who daily quotes a price on fresh fruit, vegetables and other perishable items. This is an unrealistic and excessive administrative burden, and section 307(c) would exempt the purchase of perishable subsistence items from the requirement for written notice.

SECTION 308—AUTHORITY FOR SECRETARY OF DEFENSE TO ACCEPT GIFTS FOR THE DEFENSE DEPENDENTS' EDUCATION SYSTEM

Until 1978, the Department of Defense schools were operated by the military services, who were authorized by section 2601 of title 10, United States Code, to accept gifts of personal property, cash, and even real property that was donated for the benefit of the school. The authority to accept these gifts included the authority to spend them without regard to the laws governing Federal appropriations. Thus, the schools were able to benefit from financial assistance of the supporting community.

When the Congress enacted the Overseas Defense Dependents' Education Act of 1978 (Public Law 95-561) all the dependents' schools were combined into one civilian organization. The authority to accept gifts granted under title 10 was lost to the schools with that enactment.

Section 308 would authorize the Secretary of Defense to issue regulations allowing gifts of money or property to be made and used by overseas schools. It would restore the gift provision status the schools had prior to the 1978 legislation. In addition, this provision would simplify the administration of the school gift fund by consolidating all authority over gifts made to schools in the dependents' school fund.

SECTION 309—RENOVATION OF FACILITIES

This provision would establish "renovation" as a new category for combining operation and maintenance funds to maintain, repair and/or alter facilities. Currently, each of these categories of work have separate approval and funding rules that often create artificial accounting problems.

The new provision would allow programming all refurbishment work as a single renovation project. The total amount spent on each renovation would not exceed the maximum amount specified by law for a minor construction project. New facilities, or additions to facilities, could not be constructed under the authority of this provision.

The committee believes this provision would allow flexibility for local commanders to refurbish their facilities. However, to ensure the appropriateness of the projects authorized under the new category, the committee recommends this provision with the stipulation that the Department provide in conjunction with each budget request a list of the projects to be authorized and those that were authorized during the previous year. The listing should include project location, a description of work and estimated cost.

SECTION 310—PROHIBITION OF PURCHASE OF PETROLEUM PRODUCTS FROM COMPANIES PRODUCING OIL IN ANGOLA

Section 310 would prohibit the Department of Defense from purchasing petroleum products from companies engaged in the production or purchase of Angolan oil. The committee believes the interests of the Department of Defense or American would not be served by continuing to subsidize the communist Marxist-Leninist Popular Movement for the Liberation of Angola (MPLA) government and the large Warsaw Pact and Cuban military force which is its guarantor.

A number of American oil companies that hold Department of Defense supply contracts simultaneously produce, hold rights to produce, or purchase Angolan oil. Well over half a billion American dollars are paid annually to the MPLA government in royalties and taxes for petroleum products. This American money is not only the mainstay of a troubled economy but supports the financial arrangement by which Cuban military forces occupy much of Angola. Moreover, it supports the MPLA's purchases, made in dollars, of more than $2 billion worth of Soviet weapons in the last three years.

The committee believes this financial support is inconsistent with U.S. support for the Angolan resistance forces fighting Cuban, Soviet, and Angolan communist military forces.

The committee recognizes the difficulty associated with the enforcement of this provision. The fungible nature of many petroleum products may make enforcement in international markets more difficult than in the case of contracts with companies that actually produce Angolan oil or buy it from that country. The likelihood also exists that when Department of Defense contracts are awarded to the lowest bidder such bidder may have interests in Angolan petroleum. Nevertheless, the committee believes that neither of these factors will present a great impediment to Department of Defense purchasing agents. Further, neither factor is as important to the committee as the following considerations:

(1) the Department of Defense must be concerned first and foremost with the military defense of the United States, the greatest threat being the alliance of pro-Soviet armies; and

(2) the present purchasing policy of the department unwittingly aids the armed forces and government of the MPLA regime in Angola as well as the alliance of pro-Soviet that guarantee their existence.

SECTION 311—PROHIBITION OF CONTRACTS FOR THE PERFORMANCE OF CERTAIN ARMY AMMUNITION ACTIVITIES

This section would prohibit the Secretary of Defense and the Secretary of the Army from entering into a contract for the performance of functions at Crane Army Ammunition Activity in Crane, Indiana, or at McAlester Army Ammunition Plant in McAlester, Oklahoma.

The committee has been concerned for some time about the readiness impact of contracting out critical functions performed by Department of Defense civilians. This is especially true in the area of conventional ammunition management. The committee recalls the disruptions and delays in ordnance deliveries to forces in the field after conversion of the Hawthorne Army Ammunition Plant in Hawthorne, Nevada.

The Army's announcement in February of its intention to conduct a review of mission functions at Crane and McAlester Army Ammunition Activities renewed this concern and prompted the committee to address this matter in a hearing on May 14, 1986. A review of internal Department of Defense documents and testimony by Members of Congress raised serious questions about the advisability of the Army's decision. Consequently, the committee believes that contracting out the remaining "in-house" Army Ammunition Activities is unwise and recommends that it be prohibited.

SECTION 312—EXTENSION OF AUTHORIZATION FOR HUMANITARIAN ASSISTANCE

This provision would extend for an additional year $7 million of unobligated fiscal year 1986 obligational authority, and add $3 million in new fiscal year 1987 authorization for Department of Defense support to Afghan refugee relief.

It also would provide $3 million for transportation of humanitarian relief supplies worldwide and would allow excess nonlethal supplies to be made available and distributed upon notification to the Secretary of State.

SECTION 313—NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE

This section would amend section 4308 of title 10, United States Code, to provide the Secretary of Army with the authority to fully support national and regional rifle matches sponsored by the National Board for the Promotion of Rifle Practice. Specifically, this section would authorize the Secretary to provide necessary personnel services and allowances for competitors at national matches.

To carry out this increased authority, the committee recommends an increase of $3.4 million in authorization for the National Board for the Promotion of Rifle Practice.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

ACTIVE FORCES

END STRENGTHS

Faced with severe budgetary constraints, the committee recommends freezing active duty end strengths for fiscal year 1987 at the fiscal year 1986 authorized levels, with the exception of providing 2,000 additional personnel for the Navy. Although the committee believes that some increases in end strength, especially for the purpose of manning new ships coming on line in the Navy, may be appropriate to support force structure changes and weapon systems modernization, the committee does not believe that the significant increases proposed by the Administration are appropriate from either a budget or deficit reduction perspective.

The committee recommends the following end strengths for active duty personnel for fiscal year 1987:

	Administration request	Growth requested over fiscal year 1986	Committee recommendation	Growth recommended over fiscal year 1986
Army	780,900	100	780,800	0
Navy	592,700	11,400	583,300	2,000
Marine Corps	200,300	1,500	198,800	0
Air Force	607,200	730	606,470	0
Total	2,181,100	13,730	2,169,370	2,000

In the absence of substantial active duty end strength growth, the committee continues to emphasize that the reserve forces should be utilized more effectively and efficiently to perform increased military workload. As noted in previous years, reserve units currently support critical mobilization missions and perform many day-to-day operational requirements. At a cost of approximately 40 to 70 percent of comparable active units, reserve units are a good buy for the taxpayer and should remain an integral part of the All-Volunteer Force.

THE ALL-VOLUNTEER FORCE

Since 1980, the components of the All-Volunteer Force (AVF) have undergone significant changes in their mission and utilization, as well as in the recruitment and retention of military personnel. In the late 1970's, the future of the All-Volunteer Force was in doubt. The news media and some officials were predicting its imminent demise. Today, however, the All-Volunteer Force is alive, well, and thriving. In fact, the quality of the young men and women joining the military with high school diplomas and top scores on qualification tests (Armed Forces Qualifications Test mental categories I-III) is at an all-time high—better than the youth population as a whole.

The services are accessing a greater segment of the eligible male population with high school diplomas than ever before, 93 percent of non-prior service members have their high school degrees compared to only 77 percent of the eligible population group. Since 1982, all of the services have accessed non-prior service males at or above the 77 percent eligible population group average.

PERCENTAGE OF MALES WITH HIGH SCHOOL DIPLOMAS ENTERING THE MILITARY

	Fiscal year—					
	1980	1981	1982	1983	1984	1985
Army	49	78	85	86	89	89
Navy	74	74	77	90	92	88
Marines	76	78	84	91	95	97
Air Force	84	89	95	98	99	99

The number of recruits in mental category IV as determined by the Armed Forces Qualification Test has decreased dramatically since 1980, demonstrated most vividly by the Army. Even more remarkable is that less than 10 percent of all the male accessions for fiscal year 1985 were in category IV compared to a 1980 random survey which found 23 percent of the eligible population scoring in this mental category.

PERCENTAGE OF NEW RECRUITS IN MENTAL CATEGORIES I–III

	Fiscal year—					
	1980	1981	1982	1983	1984	1985
Army	44.1	65.2	77.6	85.2	86.9	91.4
Navy	79.9	85.7	87.9	90.3	89.5	90.3
Marines	69.4	84.0	88.5	90.8	92.7	96.4
Air Force	87.4	90.4	92.1	96.6	98.3	99.2
DOD	64.6	79.1	84.8	89.3	90.5	93.4

Another improvement in the quality of the active force is the gain made over the last five years in the overall enlisted career force growth as compared to the end strength growth. Active-duty enlisted end strength has increased by 71,000 but the percentage of personnel in the career forces has increased by nearly 18 percent. This trend is best illustrated by the Navy which increased its enlisted end strength by 47,000 between 1980 and 1985 to 496,000 while its enlisted career force grew by about 59,000 (an increase of about 32 percent) to 246,000.

PERCENTAGE OF ENLISTED MEMBERS BETWEEN 5 TO 30 YEARS OF SERVICE

	Fiscal year—					
	1980	1981	1982	1983	1984	1985
Army	40	42	45	46	46	45
Navy	41	42	44	46	48	51
Marines	28	30	33	35	35	37
Air Force	52	52	52	55	56	58

Two categories of reserve personnel make up the ready reserve: the selected reserve and the individual ready reserve. The selected reserve consists of the Army, Navy, Marine Corps, Air Force, and Coast Guard Reserve units and Army and Air Force National Guard units. The individual ready reserve (IRR) provides a pool of pre-trained manpower to be used as fillers and replacements upon mobilization.

All selected reserve units gained in actual end strength in fiscal year 1985 and all met programmed end strengths with the exception of the Marine Corps Reserve due to certain force management actions.

The quality of accessions for the reserve components has increased dramatically since 1980. Five years ago, quality shortfalls in the reserves were even more serious than the active forces. Fiscal year 1985 recruiting results as a percent of total accessions for both prior and non-prior service recruits are as follows:

	High school graduate	AFQT-I-III
Component:		
Army National Guard	86	91
Army Reserve	87	86
Naval Reserve	81	85
Marine Corps Reserve	95	90
Air National Guard	100	99
Air Force Reserve	99	93
DOD total	88	89

All three separate yet interdependent parts of the All-Volunteer Force—the active forces, the reserve forces, and mobilization manpower—have benefited from these gains.

As in the past, the committee emphasizes that all components of the All-Volunteer Force play an integral role in the nation's conventional capability to deter or fight a war of conflict. As a result of Congressional direction, the services have placed increasing reliance on the reserve components in recent years—a situation that continued in fiscal year 1986. Because the reserves comprise, among other missions, approximately 50 percent of the Army's divisional forces, 100 percent of the Navy's U.S. based logistics airlift, and 49 percent of the Air Force's strategic airlift capability, the Congress and the Department of Defense must continue to improve reserve forces effectiveness through the provision of new equipment and training to the reserves as well as through reserve interaction with the other components.

An example of efforts to increase the interaction of the components is the Capstone mission concept. Specified reserve, national guard, and active duty units, with selected individual augumentees, gather to participate in command post exercises. The purpose of the Capstone exercises is to allow units of the different components that will fight together to train together, realistically portraying possible wartime scenarios. These interactions are important: approximately 10 percent of the Army Reserve and National Guard personnel, in a European scenario, are scheduled to be deployed by D + 30, and 69 percent by D + 60. The heavy reliance on the reserve components continues in fiscal year 1987. The reserves comprise approximately 50 percent of the Army's divisional combat forces, 100 percent of the Navy's U.S. based logistic airlift, and 49 percent of the Air Force's strategic airlift capacity.

Although improvements in the All-Volunteer Force have indeed been dramatic, that success remains very fragile. The Department of Defense, the services, and the Congress must remain vigilant to prevent any reoccurrence of the problems of the late 1970's. This task will be increasingly difficult as the available pool of military age youth shrinks over the next decade. If the economy continues to improve, the competition from private sector employers and from colleges and universities for the best and brightest young men and women will become increasingly intense.

MILITARY PAY RAISE

Recognizing the importance of maintaining a competitive edge, particularly as the recruiting environment becomes tighter, the committee is strongly committed to ensuring that active duty personnel receive a pay raise.

The First Concurrent Resolution on the Budget for fiscal year 1987 assumes that military personnel will receive a 3 percent pay raise on January 1, 1987. The budget resolution envisions an identical pay raise for Federal civilian employees.

Clearly, the large pay raises provided in 1980 (11.7 percent) and 1981 (14.3 percent) restoring comparability to pay in the private sector were critical to the dramatic turn-around in recruitment and retention experienced since that time. The committee believes that military pay must remain competitive with the private sector and, therefore, recommends sufficient budget authority, within the overall ceiling on Defense spending included in the budget resolution, to ensure funding for a three percent pay raise in January 1987.

RECENT ACTIVE FORCE RECRUITING RESULTS

The active forces enjoyed their fifth consecutive successful recruiting year during fiscal year 1985; each component once again met or exceeded its recruiting goals in terms of both quantity and quality.

The committee is particularly pleased to note that for non-prior service accessions, the total combined percentage of high school graduates and upper mental category recruits was the highest ever since the advent of the All-Volunteer Force.

During fiscal year 1985, 89 percent of the Army's non-prior service male accessions were high school graduates compared to 49 percent in fiscal year 1980. Although Navy non-prior service accessions dipped slightly from 92 percent male high school graudates in fiscal year 1984 to 88 percent in fiscal year 1985, the number of test category IV accessions in the Navy decreased by nearly one percentage point. Marine Corps male high school diploma accessions increased by two percentage points to 97 percent and the Air Force remained steady at 99 percent in fiscal year 1985.

The committee believes that these successful recruiting results are attributable to the compensation and education incentives enacted in recent years as well as to the improved image of the military and to the challenging nature of many military assignments.

Once, again, the committee notes that the services may face an increasingly difficult recruiting environment in the years to come; the challenge will be to sustain the successes of the past five years without significantly increasing recruiting resources.

RETENTION

The quality of the career force continues to be a major priority for the committee. As noted in prior years, past difficulties in career retention were incorrectly attributed to the All-Volunteer Force. The career force has always been comprised of "volunteers," and the success or failure of attracting and keeping high quality professionals is directly related to growth opportunities and to compensation enhancements.

The substantial compensation boosts since 1980, including pay raises and targeted bonuses for hard-to-man skills, undoubtedly are paying excellent dividends in the number of enlisted service members entering the career force. Over the past five years, the enlisted career force has increased at a greater rate than the total active-duty enlisted end strength.

The overall total active duty career reenlistment rate for the services declined two percentage points to 84 percent and the first-term reenlistment rate declined from 51 to 48 percent. However, these declines reflect in part increasing selectivity by the services in the composition of the career force and are not expected to affect the ability of the services to reenlist the numbers of high quality personnel needed to man the career force, although shortages in some critical skills persist.

The Army first-term reenlistment rate remained at 43 percent of those eligible. The Navy first-term reenlistment rate decreased 3 percentage points to 55 percent and the Marine Corps dropped 5 percentage points to 35 percent of eligible members reenlisting. The Air Force first-term reenlistment rate fell 4 percentage points to 54 percent, but the number of actual reenlistments increased by 1,000 as the eligible pool was several thousand larger than the previous year.

The Army achieved a 61 percent overall reenlistment rate; the Navy, 66 percent; the Marine Corps, 51 percent; and the Air Force, 70 percent. As previously noted, shortages still exist in a range of specialities; the committee expects the Department of Defense to continue to address specific shortfalls through special pays, bonuses, and management actions.

The committee emphasizes that the challenge for next year and beyond is to sustain the present quality of manning in the career force. A service member decides to make or not to make the military a career for a variety of reasons; the committee is aware that economics and quality-of-life factors play a large part in career decisions.

As the committee has emphasized in previous years, compensation is not the only element that influences retention. Service personnel managers of all ranks must be attuned to the individual service member's needs. Although the services rightly stress mission first, initiative and creativity to devise a system that is professionally appealing to their subordinates should be every manager's goal.

FORCE STRUCTURE CHANGES

The major changes in force structure contained in the Administration's budget are as follows:

Army

In the United States:

(1) Activation of a fifth Light Infantry Battalion and a Combat Aviation Company for the 10th Mountain Division;

(2) Continued activation in Alaska of the 6th Infantry Division using the 172d Infantry Brigade as a nucleus;

(3) Activation of four field artillery battalions, one Special Operations Forces aviation company, and three support battalions; and

(4) Restructuring of the 82d Airborne Division to a smaller size.

In Europe:

(1) Activation of two PATRIOT Air Defense Battalions, two Corps Attack Helicopter Groups, one 8 Inch Self-Propelled Field Artillery Battalion, and five Non-Division Maintenance Companies;

(2) Conversion of six Armor Battalions from M60 tanks to M1/M1A1 tanks;

(3) Transition of seven Cavalry Squadrons to two air troops and two ground troops configuration and six field artillery battalions upgunning from 3X6 to 3X8 structure; and

(4) Inactivation of two Warhead Support Detachments and six Heavy Equipment Companies.

In the Pacific:

(1) Conversion of the last elements of the 25th Infantry Division to a light infantry design; and

(2) Activation of an attack helicopter battalion for the 2d Infantry Division.

Navy

(1) Commissioning of one Ohio Class Trident, three new Ticonderoga Class cruisers, two FFG-7 class guided missile frigates, five Los Angeles Class submarines, one MCM-1 Avenger Class mine warfare ship, one (T-AGOS) surveillance ship and three Kaiser Class replenishment ships;

(2) Transfer of three FFG-7s and one Knox Class (FF-1052) to the Naval Reserve; and

(3) Decommissioning of two repair ships, one Skipjack Class, one Seawolf Class, and one Skate Class submarines.

Marine Corps

(1) Upgrade of ground and air force equipment to include new artillery systems, light armored vehicles (LAV), remotely piloted vehicles (RPV), anti-tank weapons (TOW), improved F/A-18 and AV-8B fixed wing aircraft vehicles, small arms

and more sophisticated command and control communication means.

Air Force

(1) Increase in the B-1B inventory to 58 Primary Aircraft Authorized (PAA);

(2) Decrease in the KC-135 tanker aircraft to 472 PAA;

(3) Reduction of Minuteman missiles to 973 and deactivation of remaining Titan II missiles;

(4) Addition of two F-16 fighter squadrons;

(5) Modernization of two additional fighter squadrons replacing the F-4s with F-16s; and

(6) Transfer of seven C-5 aircraft from the active component to the reserve forces (five to the Air Force Reserve and two to the Air National Guard) and 12 C-141 aircraft (six to the Air Force Reserve and six to the Air National Guard).

OTHER ACTIVE FORCES ISSUES

MILITARY FAMILIES

As part of its on-going dedication to improving the military's quality of life, retention, and readiness, the committee emphasizes the importance of strengthening and enhancing the well-being of the military family.

Since 1960, the percentage of married active-duty personnel has nearly doubled. Today, more than 2.1 million active duty personnel have over 2.8 million dependents—a figure that is expected to grow substantially in the coming years. The committee notes that the family not only affects the service member's morale and job performance, but also plays an important role in the member's decision to remain on active duty as well as the member's ability to mobilize and deploy on short notice. The committee, therefore, concludes that meeting the needs of military families is crucial to achieving and maintaining a high-quality, fully-manned, and combat-ready force.

Spouse employment

Last year the committee noted that employment opportunities for military spouses are limited because of the frequent moves associated with military service. Currently, the unemployment rate for military spouses is estimated at 17 percent—3 times greater than the rate of unemployment for civilian spouses.

If the military spouse is unable to find suitable employment upon reaching a new duty station, the family's financial situation may be adversely affected, increasing the likelihood the military member may decide to leave the service. Given that the replacement cost for skilled military members is high, the committee emphasizes that the Department of Defense must take steps to improve spouse employment opportunities—and do so in the most cost effective way possible.

The committee believes that one way to improve spouse employment opportunities is to assist spouses in identifying and developing marketable skills. Another is to provide support, encouragement and information useful for life/career planning and for conducting a job search. The committee notes that not only is the Education and Employment Resource Center (EERC) located at Fort Belvoir, Virginia, fulfilling all of these objectives, it is also providing excellent services on a modest budget.

During fiscal year 1985, the EERC's one salaried employee and 261 volunteers—all of whom are military dependents themselves—helped more than 5,000 military family members at the center and another 7,000 over the telephone through its job bank, counseling, training sessions and educational assistance resource materials. Additionally, the center sponsored more than 80 workshops on a wide variety of topics including Life/Career Planning, Resume Writing, Understanding the Federal Employment System, the Interviewing Process, Credentialling Volunteer Experience, How to Start Your Own Business and the Impact of Mobility on Military Families.

Unfortunately, despite the enormous need for these spouse employment services, not all military installations have programs like the EERC. The committee believes that this situation stems partly from the services' hiring freeze and partly from insufficient leadership from some service staffs and commanders.

The committee believes that the Education and Employment Resource Center at Fort Belvoir should be a model for all military installations to follow. The committee directs the Secretary of Defense to establish similar centers at as many military installations as possible and to fill currently vacant positions related to such family member employment programs as a matter of high priority. The committee notes that the Fort Belvoir EERC is not part of the civilian personnel office but rather is an offshoot of Army Community Services. The committee applauds this affiliation and believes that other EERC's—given the wide variety of services offered—should also operate as part of Army Community Services or its counterpart in the other services.

During these times of severely constrained defense resources, the committee views the EERC and its efforts on behalf of family member employment to be one of the most efficient uses of military resources and intends to monitor the expansion of this program closely.

Family member employment in Europe

The committee is particularly concerned about employment opportunities for military dependents in Europe. The committee notes that of the nearly 90,000 civilians currently employed by the U.S. forces in Europe, approximately one-third are family members and two-thirds are local nationals (employment of local nationals is governed by the North Atlantic Treaty Organization (NATO) Status of Forces Agreement).

Although the committee recognizes the sensitivity of our European allies to the employment of local nationals and acknowledges that the number of family members employed by the U.S. military in Europe has increased somewhat in recent years, the committee believes that much more can and should be done to improve family member employment opportunities in NATO countries. Accordingly, the committee directs the Secretary of Defense to submit a plan to achieve a greater balance over the next three to five years in the number of U.S. military family members and local nationals employed by the U.S. forces in Europe. The plan should identify which of the approximately 60,000 jobs currently filled by local nationals could be reasonably filled by family members *if skill qualification were the only consideration* as well as the optimum split between family member and local national positions based on political and other considerations. Finally, the plan should address any changes that may be required to ensure that family members do not bear a disproportionate share of the burden associated with reductions in force or other adverse personnel actions.

The plan should be submitted to the Committees on Armed Services of the Senate and the House of Representatives no later than December 31, 1986.

Child care plans

The committee is also concerned about the adequacy and currency of the child care plans prepared by members who are single parents or dual-service parents.

The committee notes that service regulations require that a family care plan be executed by all single members and married service couples in pay grades E-6 and below if they have custody of minor children. Enlisted members in higher grades as well as single officers and officers married to one another are expected to maintain a personal family care plan as well.

Under the family care plan, soldiers designate a person to assume care of their children if they are deployed or otherwise unable to care for them. Soldiers also designate persons to care for their family members in the event of evacuation. The commander or commander's representative is required to certify that the soldier has been counseled and that the soldier's plan is acceptable. The commander is also responsible for ensuring that plans are kept up-to-date.

Based on information obtained from service personnel, particularly in Europe, the committee is not convinced that commanders and military members are affording family care plans sufficient attention. In addition, the committee believes that all military personnel, regardless of their grade or marital status, should execute a contingency plan for the care of their children in the event of military or personal requirements that prohibit them or their spouses from providing normal care to their children.

Because adequate care for dependents in the event of hostilities, mobilization or deployment is a major readiness issue, the committee believes that family care plans should receive additional command emphasis. The committee, therefore, directs the Secretary of Defense to revise the appropriate regulations to ensure that *all* military members with dependent children execute a family care plan. (Married members should make provisions for their children in the event their spouses are unable to care for their children.) The committee further directs the Secretary to ensure that commanders conduct periodic "spot checks" of individual plans to verify the currency of the plans to take corrective action in the event plans are out-of-date or incorrect. Finally, the committee directs the Secretary to report to the Committees on Armed Services of the Senate and the House of Representatives no later than December 31, 1986, on the specific measures taken to improve family care plans.

REPORT ON NEED FOR REGISTRATION OF SKILLS IN SHORT SUPPLY

The committee is concerned that a number of critical skills needed for war may be in short supply in the event of a major mobilization. The military medical system's well-documented inability to provide adequate medical care in the event of a major war (discussed elsewhere in this report) is just one example; the committee notes that other skills needed for a war or national emergency (e.g., linguists, engineers, etc.) may be equally as scarce, although the Department of Defense has not as yet determined the parameters of these problems. Accordingly, the committee directs the Secretary of Defense, in consultation with the Director of the Selective Service System, to provide a report on these skills (including medical) that could face serious shortalls in the early days of mobilization as well as alternatives (including the registration of such skills) designed to alleviate these shortages.

The committee further directs that the Secretary submit this report to the Committees on Armed Services of the Senate and the House of Representatives no later than February 1, 1987.

Reserve Forces

In recent years, reserve recruiting, retention and readiness have taken a giant step forward. Given that the reserves are ready and able to take on more missions, Congress would be remiss in failing to take advantage of enhanced reserve capability. Accordingly, the committee recommends continued emphasis on this less costly form of manpower through the provision of training, equipment, interaction with active components and employer support.

END STRENGTHS

The committee recommends the following minimum end strengths for the Selected Reserve of each component:

	Administration's request	Growth requested over fiscal year 1986	Committee recommendation	Growth recommended over fiscal year 1986
Army National Guard	462,800	19,252	459,310	15,762
Army Reserve	327,600	29,630	326,600	28,630
Naval Reserve	155,700	14,400	153,013	11,713
Marine Corps Reserve	44,400	1,381	44,263	1,244
Air National Guard	115,200	4,341	115,013	4,154
Air Force Reserve	80,500	3,100	80,489	3,089
Coast Guard Reserve	13,000	500	13,000	500
Total	1,199,200	72,604	1,191,688	65,092

The committee's recommendations reflect less growth over the fiscal year 1986 levels than requested in keeping with the committee's full-time support recommendations in section 412.

The committee emphasizes that its fiscal year 1987 Selected Reserve recommendations are expressed in terms of minimum *end* strengths rather than in terms of minimum *average* strengths as has been the case in previous years. The committee believes that, in the past, unnecessary confusion has been created by the authorization of average minimum strengths for the Selected Reserve and end strengths for the active components and full-time personnel.

Although the committee does not support the authorization of end strength ceilings for the Selected Reserve because such controls would limit the reserve components' ability to manage changing recruiting, demographic and economic factors, the committee believes that the authorization of minimum end strengths for the Selected Reserve will provide clarity and consistency among all personnel authorizations as well as preserve the reserve components' management flexibility.

Finally, the committee notes that recommended strengths are by no means identical to actual requirements. On the contrary, the total selected reserve objectives for several components are significantly higher than the recommended authorization figures. The following table details the actual strengths for each component on March 31, 1986, the recommended strengths for fiscal year 1987 and the objective strength for each component:

	Actual strength Mar. 31, 1986	Recommended minimum end strengths for fiscal year 1987	Total selected reserve objective for fiscal year 1991
Army National Guard	438,154	459,310	492,100
Army Reserve	294,009	326,600	344,900
Naval Reserve	132,302	153,013	170,700
Marine Corps Reserve	43,379	44,263	48,000
Air National Guard	110,498	115,013	121,100
Air Force Reserve	70,019	80,489	86,200
Coast Guard Reserve	12,502	13,000	24,500
Total	1,102,863	1,191,688	1,287,500

THE SELECTED RESERVE IN THE TOTAL FORCE

The importance of the reserve forces to the nation's security is evident in the proportion of reserve manpower required for the initial and primary augmentation of the active forces in the event of mobilization. Under today's Total Force policy, for example, the national guard and reserves provide nearly one-half of the total Army's combat power and two-thirds of its combat support, service structure and wartime medical capability.

The following delineates some of the capabilities provided by reserve components shown as a percentage of the total mission:

Army National Guard: 65 percent of the separate brigades; 73 percent of the infantry battalions; 57 percent of the armored cavalry regiments; 49 percent of the field artillery battalions; 100 percent of TOW light anti-tank battalions; 47 percent of the mechanized infantry battalions; and 36 percent of the combat divisions.

Army Reserve: 25 percent of the combat engineer battalions; 25 percent of the Special Forces group; 12 percent of the separate brigades; 63 percent of Army hospitals; 44 percent of conventional ammunition companies; and 85 percent of smoke generator chemical units.

Naval Reserve: 100 percent of U.S. based logistics airlift; 100 percent of inshore undersea warfare units; 100 percent of combat search and rescue; 99 percent of control of shipping organization; 65 percent of mobile construction battalions; 66 percent of special boat forces; 35 percent of maritime air patrol squadrons; 34 percent of intelligence personnel; 17 percent of base operating support personnel; 6 percent of surface combatants (destroyers); and 3 percent of amphibio warfare ships.

Marine Corps Reserve: 30 percent of light attack aircraft; 33 percent of anti-aircraft missile battalions; 23 percent of Marine aerial refuelers; 40 percent of tank battalions; and 33 percent of heavy artillery strength.

Air National Guard—Flying Units: 78 percent of strategic interceptors; 49 percent of tactical reconnaissance; 24 percent of tactical air support; and 26 percent of tactical fighters. Non-flying units: 66 percent of combat communications units; and 72 percent of aircraft control and warning units.

Air Force Reserve—Flying units: 50 percent of tanker/cargo aircrews; 50 percent of strategic airlift aircrews; 34 percent of special operations; 30 percent of aeromedical airlift aircrews; and 8 percent of tactical fighters. Non-flying units: 60 percent of logistics support squadrons; 47 percent of aerial port units; 40 percent of strategic airlift maintenance personnel; and 22 percent of medical service personnel.

FULL-TIME SUPPORT

The full-time support program is an integral part of reserve forces effectiveness. Because reservists are basically part-time soldiers, reserve units require a cadre of full-time personnel to provide administration, training and maintenance support. This full-time support is provided from two principal sources: civilian technicians (civil service employees of the Federal government who are also drilling reservists or guardsmen on the weekend) and the full-time military personnel authorized by this section.

The committee recommends a full-time manning authorization of 68,877 for fiscal year 1987—a decrease of 7,512 from the request and increase of 4,600 over the fiscal year 1986 authorized level.

Full-time manning levels have increased substantially in recent years, particularly in the Army National Guard and the Army Reserve. Compared to the fiscal year 1980 authorization of 10,500 full-time personnel for the Army reserve components, the fiscal year 1987 request of 42,378 represents an increase of 31,878 in seven years. The committee has emphasized for several years that although growth in full-time manning increases readiness, too rapid growth may cause inefficient management of the program. Accordingly, given management and budgetary concerns, the committee's fiscal year 1987 recommendation provides approximately one-third the overall growth requested. The committee expects this growth to be utilized in wartime-required, deployable units and to man new equipment or missions being converted from the active forces, not for administrative, management headquarters, or combat services support positions where growth should more appropriately be achieved through the technician force.

The committee's recommended strengths for full-time manning are as follows:

	President's request	Growth over fiscal year 1986 authorized level	Committee's recommendation	Growth over fiscal year 1986 authorized level
Army National Guard	28,721	4,990	25,231	1,500
Army Reserve	13,657	1,500	12,657	500
Naval Reserve	23,197	4,187	20,510	1,500
Marine Corps Reserve	1,782	307	1,645	170
Air National Guard	8,356	1,087	8,169	900
Air Force Reserve	676	41	665	30
Total	76,389	12,112	68,877	4,600

MILITARY TRAINING

The committee recommends approval of the following requested training loads for fiscal year 1987:

Army	76,758
Navy	72,483
Marine Corps	19,433
Air Force	43,911
Army National Guard	18,262
Army Reserve	15,858
Navy Reserve	3,493
Marine Corp Reserve	3,944
Air National Guard	3,566
Air Force Reserve	2,127

The committee also recommends a provision (sec. 404(d)) that would permit the average military student loads for the Army, Navy, Marine Corps, Air Force, and each of the reserve components to be adjusted consistent with the manpower strengths authorized for the active and reserve components. Such adjustment would be apportioned among the active and reserve forces in the manner prescribed by the Secretary of Defense in consonance with congressional action on strength levels.

TITLE V—DEFENSE PERSONNEL POLICY

PART A—ACTIVE FORCES

SECTION 501—ASSIGNMENT OF ACTIVE DUTY MEMBERS OUTSIDE THE UNITED STATES

Current law prohibits the armed services from assigning nonprior service members to overseas stations until they have completed 12 weeks of basic training or its equivalent. Because certain entry level military specialties require either no formal advanced schooling after basic training or technical training of short duration, the committee is concerned that the 12-week rule is unduly restrictive, causing military members to make two permanent change of station moves instead of one in some cases, and leaving some new recruits with three or four weeks of idle time before traveling overseas. The committee, therefore, recommends repealing the 12-week requirement in section 501.

SECTION 502—WEARING OF RELIGIOUS APPAREL BY MEMBERS OF THE ARMED FORCES WHILE IN UNIFORM

Section 502 would permit members of the armed forces to wear neat and conservative religious apparel while in uniform. The provision would accommodate, for example, neat and conservative Jewish yarmulkes and Sikh turbans. Other religious apparel might be permitted under the language of section 502. The provision would not, however, open the door to all manner of garb.

The language prescribing a standard for religious apparel ("neat and conservative") was chosen on the basis of its accepted use in service regulations, as cited by the Supreme Court in its recent decision on religious apparel. One concern posed in the military community has been the potential difficulty of distinguishing acceptable religious apparel from unacceptable religious apparel. The services have for some time, however, successfully used the "neat and conservative" standard to distinguish acceptable jewelry from unacceptable jewelry.

The provision recommended by the committee would authorize the Secretary of a military department to prohibit the wearing of religious apparel—apparel that is worn as part of the observance of the religion practiced by the service member—in any circumstance where the wearing of the religious apparel would interfere with the performance of military duties.

The primary philosophical objection raised by the services to legislation of this type centers on the importance of uniformity in building unit cohesion. The committee readily acknowledges the values of cohesion and esprit. The committee does not find, however, that the wearing of—again, for example—yarmulkes or turbans would necessarily threaten good order, discipline, or morale in the armed forces. Indeed, a case of recent public notoriety involved an Air Force officer who had worn his yarmulke for a number of years with no apparent effect on those serving around him. Only when the officer testified in a legal hearing and the advocate for the opposing side complained about his yarmulke was the disruptive potential of the yarmulke noticed by anyone.

With regard to Sikh turbans, the committee notes that the Army accepted Sikhs with their turbans for decades—and still reenlists them. The Army only stopped enlisting Sikhs when its lawyers voiced concern that, if the Army tolerated Sikh turbans, then it would have to allow saffron robes as well. In changing its enlistment policy toward recruits who wear turbans as a matter of religious practice, then, the Army was objecting not to turbans but to saffron robes. The committee would agree that robes—of any color—would likely interfere with the performance of military duties. The language recommended by the committee unequivocally provides that the wearing of religious apparel is not acceptable if it would interfere with the performance of military duties.

SECTION 503—SERVICE OF MEMBERS ON STATE AND LOCAL JURIES

Section 503 would exempt an active duty member of the armed forces from state jury duty on a determination that service as a juror would unreasonably interfere with the military member's performance of military duties or would adversely affect the readiness of the member's unit.

Current law exempts active military personnel from Federal jury duty. No Federal statute currently addresses state jury duty. The committee believes that a uniform, national rule would be helpful to the armed forces and the several states, alike.

Determinations concerning the impact that jury duty would have in a particular case would be made under regulations prescribed by the service Secretary concerned. The committee contemplates, for example, that a scheduled cruise or deployment exercise would unquestionably support exemption.

SECTION 504—EXTENSION OF EXPIRING AUTHORITY FOR SPOT PROMOTIONS OF NAVY LIEUTENANTS

Under current law, certain Navy lieutenants who possess skills for which a critical shortage exists and who are serving in positions designated to be held by lieutenant commanders may be promoted to lieutenant commander outside of the normal promotion process. This "spot promotion" authority is due to expire, however, on September 10, 1986.

Section 504 would extend the authority to September 30, 1987. The committee recommends only an extension because it is not convinced that spot promotion is an appropriate long-term solution to what is really a retention problem. Moreover, the committee would expect to receive with the Department of Defense budget request for fiscal year 1988 an initiative other than further extension of the spot promotion authority to address this retention problem.

SECTION 505—REPEAL OF REQUIREMENT REGARDING ENLISTMENT OF WOMEN IN THE AIR FORCE DURING FISCAL YEAR 1987

In House Report 98-691 accompanying the fiscal year 1985 Defense Authorization Act (Public Law 98-525), the committee criticized the methodology used by the Air Force to determine female accessions and directed the Air Force to reevaluate its approach. The committee indicated that the Air Force should replace its current accession methodology with a "demand" methodology after empirically establishing actual limitations on the number of women the Air Force could effectively utilize, taking into account those jobs closed by the combat exclusion and specific mission requirements. In addition, Public Law 98-525 established statutory female accession goals for the Air Force of not less than 19 percent female accessions during fiscal year 1987 and not less than 22 percent female accessions during fiscal year 1988.

In response, the Air Force undertook a comprehensive study that resulted in a new methodology. In House Report 99-81, accompanying the fiscal year 1986 Defense Authorization Act (Public Law 99-145), the committee stated that, although encouraged by the Air Force's progress, it was still concerned about two remaining major questions. First, in practice, would the Air Force actually use the female accession ranges in the recruiting process as quotas or simply as internal resource planning and management tools as asserted? Second, would the methodology's force management module, which considers potential problems like pregnancy, workarounds, etc., become a factor, and presumably, act as a constraint? The committee found it would be appropriate to watch the implementation process a year before making a decision.

The committee is pleased with the Air Force's increase in female accessions from 14 percent in fiscal year 1984 to 17 percent in fiscal year 1985 and with the further increases projected for fiscal year 1986. It is also pleased with the progress in implementing the new methodology. However, complete implementation of the new methodology was not effected until January 1986, so that a comprehensive evaluation has not yet been possible. Consequently, the committee believes a final judgment would be premature at this time and that monitoring the operation and impact of the new methodology for at least a year would be more appropriate. Accordingly, the committee recommends in section 505 removing the 19 percent statutory goal for fiscal year 1987, while retaining the 22 percent goal for 1988. This will allow the Air Force to proceed with its new approach and permit enough time for evaluation.

SECTION 506—AUTHORITY TO EXEMPT PHYSICIANS AT UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FROM REDUCTIONS IN RETIRED PAY

Section 506 would exempt from the dual compensation restrictions of section 5532 of title 5, United States Code, retired military physicians who are members of the faculty of the Uniformed Services University of the Health Sciences.

Under the Dual Compensation Act, retired regular officers employed by the Federal government are subject to a reduction of one dollar out of every two dollars in military retired pay above a threshold amount which is indexed to increases in military retired pay. In addition, in accordance with the Civil Service Reform Act of 1978, all military retirees are subject to a limit on total compensation from Federal civilian employment and military retired pay at the rate of pay for level V of the Executive Schedule. For a five-year period after the effective date, the Civil Service Reform Act permitted the waiver of the Executive Schedule V cap in cases where there was a severe shortage of well-qualified candidates for medical officer positions; that five-year period expired in January 1985.

The Uniformed Services University of the Health Sciences, the government's medical school for future military doctors, has a unique requirement for faculty members who are or have been military physicians themselves, particularly for the clinical teaching roles that comprise much of the final two years of university curriculum. Because of the dual compensation restrictions, however, the university has a very difficult time competing with civilian medical institutions for the cream of the crop among retiring military physicians.

During the five-year period following the enactment of the Civil Service Reform Act of 1978, the Uniformed Services University of the Health Sciences used the waiver authority for physicians very sparingly; it is the committee's understanding that this practice would continue under the recommended permanent exemption from dual compensation restrictions. Given the low rate of turnover on the university faculty, the committee expects that the waiver authority would be used no more than once a year.

PART B—RESERVE FORCES

SECTION 511—AUTHORITY FOR PRESIDENT TO CALL SELECTED RESERVE MEMBERS TO ACTIVE DUTY

Under the total force policy, the reserve components will play a crucial role in supporting the active forces in the event of international hostilities requiring the commitment of sizable U.S. military forces. Because of a wide variety of contingencies that could require the immediate use of military forces overseas without a formal declaration of war or national emergency, the President currently has the authority to order to active duty involuntarily for up to 90 days, up to 100,000 members of the Selected Reserve to augment the active forces. The President must notify Congress in writing within 24 hours after exercising this authority.

The committee believes that the existing ceiling is inadequate in light of the increased reliance placed on the reserve forces in recent years. A prompt and adequate military response to any conflict other than a very minor operation would be impossible under the existing statutory ceiling, given that one-third of the combat capability and more than half of the combat support capability in the Army are located in the reserve components. The committee, therefore, recommends increasing from 100,000 to 200,000 the ceiling on the number of selected reservists the President may order to active duty involuntarily without a formal declaration of war or national emergency. The committee emphasizes that the existing 90-day limitation on the duration of the involuntary call to active duty would remain unchanged as would the President's responsibilities under the War Powers Act.

SECTION 512—PAY, ALLOWANCES, AND BENEFITS FOR MEMBERS OF THE RESERVE COMPONENTS

Beginning with the fiscal year 1984 Defense Authorization Act (Public Law 98-94), Congress has attempted to remove the statutory distinctions between members of the active and reserve components who are disabled or killed as a result of injury, illness, or disease in the performance of their military duties or while traveling to or from those military duties. In section 512, the committee recommends changes to a number of provisions of law to complete that task and to close the remaining gaps in coverage.

In addition, legislative authority for medical care, incapacitation pay, disability retirement, and death benefits for survivors is currently dispersed throughout titles 10, 32, and 37, United States Code, depending on the service, reserve component, and the length and type of reserve duty. Section 512 would consolidate these disparate portions of statute and repeal outdated or duplicative sections.

Section 512 would restructure the present compensation payable to a member of the reserve components incapacitated in the line of duty. Currently, a reservist or guardsman injured while on active duty for less than 30 days or during inactive duty training is entitled to receive active duty pay and allowances if unable to perform normal military duties. Under current law, a disabled reservist or guardsman could perform his civilian, but not military, job and be paid for both during the period of disability, which has no statutorily prescribed termination date. If the individual were ultimately determined to be permanently disabled, chapter 61 of title 10, United States Code, provides authority for disability retirement or separation. By contrast, if the same individual were able to perform military duties, but not a civilian job, no authority exists to provide compensation for loss of the primary source of livelihood. Section 512 would correct this situation by authorizing pay and allowances for up to six months to a disabled member of the reserve components. The maximum payment could not exceed the demonstrated loss of civilian earnings and would be offset by any benefits received from any civilian income protection insurance plan.

A member of the reserve components unable to perform military duties as a result of the disability incurred would be entitled to reserve drill pay for performance of other equivalent training or duties. However, such member would not accrue retirement points under section 1332(a)(2)(B) of title 10, United States Code, for such pay provided. In addition, the combined total of pay and allowances received for loss of civilian income and drill pay could not exceed the amount of pay and allowances provided by law to an active duty service member of corresponding grade and length of service.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

SECTION 601—ENHANCEMENT OF AVIATION OFFICER CONTINUATION PAY

Section 601 would eliminate the current statutory restriction against receipt of hazardous duty incentive pay by officers serving under aviation continuation agreements. The recommended change would affect, perhaps, 50 aviators assigned, for example, to carrier flight deck duties—very demanding sea billets that are difficult to fill.

The committee does not recommend further enhancements of the aviation officer continuation pay (AOCP). The committee finds dealing with incessant initiatives to enhance AOCP difficult and confusing without more meaningful information concerning the circumstances that might warrant any enhancement. Indeed, based on the information submitted, the committee could conclude that the current AOCP should be discontinued.

Two oft-submitted kinds of information have proved particularly unhelpful. One is the "acceptance rate" on the six-year continuation agreement. The other is the "MSR (minimum service requirement) retention rate."

The acceptance rate appears to be skewed by the very enhancement initiatives it is offered to justify. Some aviators who are given to expect that a richer six-year bonus might soon be available under an expanded window of eligibility tend to withhold their decisions: if the enhancement comes to fruition, they enter six-year agreements; if not, they settle for three- or four-year agreements.

The MSR retention rate looks at winging cohorts—groups of aviators who received their wings in a given fiscal year. The MSR retention rate is the quotient of the size of an aviator winging cohort at a point two years after expiration of their minimum service requirement (MSR+2) and the size of the same cohort at a point one year before expiration of their minimum service requirement (MSR-1). Thus, MSR retention rates are comparable measurements from one year to the next only to the extent that the size of each cohort at MSR-1 is rationally related to the eventual aviation force requirements for that cohort at MSR+2.

The committee would prefer that all of the services employ a uniform measure of aviator retention and that the measure employed be calculated to provide a historical indicator—one conducive to year-to-year comparisons.

SECTION 602—AUTHORITY TO PAY RESERVE OFFICERS' TRAINING CORPS (ROTC) PARTICIPANTS IN ADVANCE FOR FIELD TRAINING

The committee has become aware of a problem relating to the pay of ROTC participants, particularly Navy midshipmen, ordered to active duty for summer training.

Currently, some 5,000 NROTC midshipmen spend approximately 28 days during the summer on active duty training in fleet units throughout the world. Because many fleet units have limited disbursing capability and most are unfamiliar with the administration of midshipmen orders and pay accounts, confusion and delays have occurred in the administration of midshipmen pay. Moreover, local commands and the Navy Finance Center have expended considerable time and effort in reconciling these pay accounts.

The committee believes that the disbursement of midshipmen pay during active duty summer training should be facilitated. Accordingly, the committee recommends authorizing the payment in advance of not more than one month's pay to ROTC participants who are ordered to participate in field training or a practice cruise.

PART B—TRAVEL AND TRANSPORTATION

SECTION 611—TRANSPORTATION OF MOTOR VEHICLES FOR MEMBERS MAKING PERMANENT CHANGES OF STATION

Current law authorizing shipment of privately owned vehicles (POVs) at government expense requires that the major portion of the movement be by ship and between customary ports of embarkation and debarkation.

These two legislative restrictions have prevented the Military Traffic Managment Command from exercising good managment practices resulting in inefficiency and excessive shipping costs.

The committee believes that:

Many of the POV's shipped within the continental United States due to homeport changes could be moved more cheaply and faster using overland carriers;

Many POVs shipped from Alaska and Hawaii to the East Coast and from the West Coast to the United Kingdom are moved for the entire voyage on ocean vessels, even though greater use of overland transportation would be cheaper and faster. Like-wise, vehicles moving to the West Coast from Europe and from the East Coast to Hawaii and Alaska incur excessive transportation costs and take longer to move than if they went overland in the continental United States;

Overland movement of POVs between duty stations and ocean ports for members on permanent change of station (PCS) moves to or from the continental United States would increase unit integrity in Cohesion, Operational Readiness and Training (COHORT) unit moves and eliminate travel hazards to and from ports in sensitive overseas areas; and

The current statutory requirement that movement of service members' POVs at Government expense be between customary ocean ports dictates that virtually all overseas POV moves go through ports regardless of cost, convenience, or common sense.

The committee recommends three specific changes to the current statute that would:

(1) eliminate the requirement that the major portion of a POV shipment be by ship,

(2) eliminate the requirement that surface transportation be between customary ports of embarkation and debarkation, and

(3) for purposes of POV movements, define "change of permanent station" moves as moves to or from areas outside of the continental United States, moves from one overseas location to another overseas location, and moves attending homeport changes.

These changes would allow POV processing closer to troop density, including COHORT moves, in order to achieve cost savings where possible.

The committee directs that, before implementation of any changes to present policy concerning the processing and transportation of POVs at high-volume foreign POV processing centers, the Secretary of Defense:

(1) provide to the Committees on Armed Services of the Senate and House of Representatives a report on the relative cost-effectiveness of the options reviewed, including the reasons for the change and the cost and other factors relating to the selection of the recommended transportation pattern from among the feasible alternatives, and

(2) request from the Secretary of State a report indicating the views of any allied government whose territory may be affected by such proposed new transportation pattern and transmit any such report to the committees.

SECTION 612—REIMBURSEMENT FOR ACTUAL LODGING EXPENSES PLUS PER DIEM FOR MEMBERS ENTITLED TO TRAVEL ALLOWANCES

Section 612 would change the method of reimbursing military personnel for expenses incident to official travel in order to reduce administrative costs and to align reimbursements for members of the uniformed services with reimbursements under the Federal Civilian Employee and Contractor Travel Expenses Act of 1985 (Public Law 99-234).

Current law limits the per diem payment for military travelers within the continental United States (CONUS) to $50 or, in high-cost areas, $75. These ceilings were established in 1980, when only 122 locations were designated as high-cost areas. Today, 441 locations are so designated. Moreover, even in designated high-cost areas the maximum per diem is $75. Thus, many service members are forced to absorb significant out-of-pocket expenses when traveling to very expensive cities. The committee believes that travelers should not have to fund government-directed travel. At the same time, reimbursement based on actual expenses requires item-by-item accounting, a time-consuming and costly process.

Congress recently revised the law governing travel allowances for Federal civilian employees and authorized the Administrator of the General Services Administration (GSA) to implement a "lodgings-plus" reimbursement system for Federal civilian employee travel within the continental United States. Under the new law, the GSA Administrator was given authority to establish per diem rates by locality based on the average costs of business-class hotels, including discounts frequently available to government employees, plus the prevailing costs of meals and incidentals.

The lodgings-plus system, as currently proposed by GSA, will provide a civilian-employee traveler a flat rate for meals and incidentals ($25 or $33) plus reimbursement for actual lodging costs not to exceed a pre-established locality cap. The committee believes that this system strikes an equitable balance between the simplicity to be gained by a pure flat-rate reimbursement scheme and the accountability to be gained by an actual-expense reimbursement scheme.

The committee recommends the lodgings-plus system as superior to the current military system because of its simplicity for travelers and its facility for those who compute, pay, and audit travel vouchers. The major disadvantage of the current system, apart from financial strain on the traveler, is the need to audit actual expenditures. Under lodgings-plus, a member would receive reimbursement for actual lodging costs plus a flat-rate per diem, that would vary by locality, for meals and incidentals. The aggregate received for meals and lodging would not exceed a pre-established ceiling, which also would vary by locality.

Allowing the uniformed services to implement a lodgings-plus reimbursement system similar to that proposed by GSA would ensure fair reimbursement for official travel and would support the total-force concept by providing equitable treatment among active-duty members, reservists, and civilian employees. In addition, it would reduce administrative costs by improving the processing time and accuracy of travel voucher settlements.

The committee expects the services to use the CONUS per diem rates and procedures established by GSA in order to ensure that military and civilian employees traveling together receive similar reimbursements. The committee would support an interdepartmental review of the overseas travel reimbursement system toward the possibility that a lodgings-plus system might also constitute an improvement in that arena.

SECTION 613—PER DIEM FOR DEPENDENTS RECEIVING TRANSPORTATION ALLOWANCE

The fiscal year 1986 Defense Authorization Act (Public Law 99-145) authorized the payment of dependent per diem in order to better compensate and reimburse service members and their families for the cost of government-directed travel.

Because of the technical wording of the law, however, per diem currently is not payable to dependents who must change their permanent duty station due to reasons of separation or retirement of the member or because of unusual or emergency circumstances like the evacuation of dependents, death of the service member, early return of dependents for personal reasons and the cancellation of military orders while enroute to the new duty station. The committee recommends correcting this inequity and providing dependent per diem in such situations.

SECTION 614—MODIFICATION OF FAMILY SEPARATION ALLOWANCE

Family Separation Allowance (FSA) Type II is designed to reimburse service members for extra miscellaneous expenses that result from family separation.

In 1963 Congress authorized the payment of this allowance to members in pay grade E-4 with over four years of service and above, who were *involuntarily* separated from their dependents for more than 30 days. Service members who *voluntarily* elected unaccompanied tours were not authorized to receive this allowance.

Congress extended the FSA-Type II entitlement to the lower pay grades in 1981. Additionally, in an effort to reduce the number of dependents overseas and their related costs, Congress authorized the payment of FSA-Type II to members who elected unaccompanied overseas tours in accompanied tour areas (e.g., Japan, Germany, Alaska).

Because there has been no significant decrease over the last ten years in the number of military dependents overseas, the committee concludes that FSA-Type II payable to all members with dependents who voluntarily separate from their families has not served the intended purpose. The committee therefore, recommends changing the entitlement to FSA-Type II so that it is payable only to members who involuntarily separate from their families. In order not to disadvantage some military families who are presently dependent on this allowance, the committee recommends grandfathering those who are receiving FSA-Type II in an accompanied tour area.

SECTION 615—TRANSPORTATION AND TRAVEL ALLOWANCES FOR ESCORTS FOR CERTAIN DEPENDENTS

Current law provides that round-trip transportation and travel allowances may be paid to anyone who travels under competent orders as an escort for an incapacitated or underage military dependent who is authorized travel and whose spouse dies, is missing or is otherwise unable to accompany the dependent. It does not address the situation in which the member must travel to a new duty location in advance of his dependent for military or extraordinary family reasons and then must return to the old post at a later date to escort the dependent to the new duty location. Such a member currently is not guaranteed a seat on the same military flight as the dependent, who is authorized space-required travel, nor is he compensated for commercial travel expenses. In order to ensure that they travel together, the member must either 1) down-grade the dependent's travel status to space-available if the dependent is scheduled to fly on a military aircraft or 2) purchase a commercial flight ticket out-of-pocket for himself if the family member is booked on a commercial flight. The committee is particularly concerned about the hardship this situation imposes on single parents and families in which both parents are in the military.

Accordingly, the committee recommends providing limited flexibility to the Secretary of Defense to provide space-required travel on military aircraft or to pay transportation and travel allowances to a member who can not reasonably bring an underage or incapacitated dependent to the new duty location when that member first reports to the new duty location. The committee expects the Secretary of Defense to utilize this authority sparingly and to implement it within existing permanent change of station resources.

PART C—BENEFITS FOR SURVIVORS AND FORMER SPOUSES

SECTION 631—COURT-ORDERED SURVIVOR ANNUITIES FOR FORMER SPOUSES

Under current law, a state court may not order a service member to elect survivor benefit plan coverge for a former spouse as part of a divorce settlement; rather, the decision to provide former spouse survivor coverage is voluntary on the part of the military retiree. This feature of the military's Survivor Benefit Plan contrasts with that of the civil service and CIA survivor programs, as well as with those private sector plans governed by the Economic Retirement Income Security Act (ERISA), which permit state divorce courts to order retirees to participate in survivor benefit plans and to designate their former spouses as beneficiaries.

As a matter of equity, section 631 would provide state courts with the option of ordering military service members to participate in the Survivor Benefit Plan and to designate a former spouse as beneficiary as part of a divorce agreement.

SECTION 632—MISCELLANEOUS SURVIVOR BENEFIT AND FORMER SPOUSE AMENDMENTS

Orphan children of retirement-eligible active duty personnel

Because of the committee's concerns about the orphan children of retirement-eligible active duty personnel, the fiscal year 1986 Defense Authorization Act (Public Law 99–145) authorized the payment of survivor benefits to the dependent child(ren) of a deceased retirement-eligible active duty member if the member and his spouse died as a result of a common accident.

Public Law 99–145 did not, however, authorize the payment of survivor benefits to the child(ren) of a retirement-eligible single parent who dies on active duty nor did it address the case of a retirement-eligible member who dies on active duty and whose spouse subsequently dies, leaving a dependent child.

The committee believes that in the absence of a spouse beneficiary, all orphan children of deceased retirement-eligible active duty personnel should be treated alike. Accordingly, section 632(a)(1) would authorize the payment of survivor benefits to the surviving dependent child(ren) of a retirement eligible active duty member who dies if there is no surviving spouse or if the surviving spouse subsequently dies.

Disabled children over age 62

Public Law 99–145 also eliminated the social security offset to the Survivor Benefit Plan and established a two-tier system in which the survivor receives 55 percent of retired pay before age 62 and 35 percent thereafter. The purpose of this change was to provide more certainty about future benefit levels and to simplify the plan while at the same time maintaining congressional intent with regard to social security integration—namely, that the Survivor Benefit Plan should complement rather than duplicate the beneficiary's entitlement to social security based on the military member's post-1956 active duty service.

It has come to the committee's attention that a small group of individuals has been unintentionally disadvantaged by this change: incapacitated dependent children over age 62 who are incapable of supporting themselves because of a physical or mental impairment that existed before the eighteenth or, under certain conditions, before the twenty-second birthday. Although such individuals are not entitled to receive social security based on the member's active duty service, the technical wording of the law requires that their survivor benefits be reduced to 35 percent of retired pay after reaching the age of 62. Section 632(a)(2) would correct this inequity.

Age at which remarriage terminates spouse survivor benefits

The Survivor Benefit Plan currently provides that the surviving spouse of a military retiree who remarries before reaching age 60 loses his or her entitlement to a survivor annuity based on the first marriage but that the benefits may be reinstated if the remarriage ends in death or divorce.

The civil service survivor benefit plan—the program after which the military plan was fashioned—had an identical remarriage provision at the time the military survivor benefit plan was created in 1972.

Two years ago, however, Congress lowered the remarriage age for civil service surviving spouses from 60 to 55. Because the committee believes that military surviving spouses should receive the same consideration as civil service surviving spouses, section 632(b) would lower from age 60 to 55 the age at which a military surviving spouse may remarry without losing the entitlement to survivor benefits.

Revision of definition of disposable retired pay for purposes of court orders

Section 632(c) would revise the statutory definition of disposable military retired pay for purposes of court orders addressing military retired pay as divisible marital property under state law or awarding alimony or child support that could be collected directly from military retired pay. In calculating disposable retired pay for such purposes, current law provides for the deduction of life insurance premiums and the exclusion of retired pay received under chapter 61 of title 10, United States Code (relating to disability retired pay).

The recommended revision would eliminate the deduction for life insurance premiums and modify the exclusion of retired pay received under chapter 61. The disability exclusion would be eliminated to the extent that it excludes retired pay that is only nominally related to disability. A person eligible for military retired pay for length of service who has a disability rated as 10 percent at the time of retirement may retire under chapter 61. This means that he may have his retired pay computed based on his years of service but paid as disability retired pay. The proposed modification would exclude from disposable retired pay only so much of the retired pay received under chapter 61 as would actually relate to the extent of the disability.

SECTION 633—REVISION OF OPEN PERIOD TO ELECT FORMER SPOUSE-CHILD COVERAGE

The fiscal year 1986 Defense Authorization Act (Public Law 99-145) authorized a one-year open season, in which Survivor Benefit Plan participants who had previously elected former spouse coverage could convert to the newly created former spouse-dependent child(ren) coverage. Because of the technical wording of the law, however, members who elected former spouse coverage during the period November 8, 1985 through February 28, 1986 are not able to convert to former spouse-dependent child(ren) coverage.

Section 633 would correct this inequity.

SECTION 634—EXTENSION OF MEDICAL BENEFITS FOR CERTAIN FORMER SPOUSES

Section 645 of the fiscal year 1985 Defense Authorization Act (Public Law 98-525) expanded medical care benefits for certain former spouses of career military personnel.

The original Uniformed Services Former Spouses' Protection Act, Title X of the fiscal year 1983 Defense Authorization Act (Public

Law 97-252), authorized medical benefits in uniformed services medical treatment facilities or under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) for unremarried former spouses whose marriage covered at least 20 years of military service and who were divorced after the effective date of the legislation, February 1, 1983.

Public Law 98-525 authorized medical benefits for two additional groups: first, all former spouses who have 20 years of marriage during which time the member served in the military for 20 years, regardless of the date of divorce; and, second, those former spouses who have 20 years of marriage, 20 years of service, with a minimum of 15 years of overlap between years of marriage and years of service, and whose divorces were finalized prior to April 1, 1985. Those meeting the new 20/20/15 criteria whose divorces were finalized after April 1, 1985, were provided two years of transitional care in the military medical care system followed by the right to convert to a private health insurance plan.

The accompanying statement of managers (H. Rept. 98-1080) directed the Department of Defense to work with the private insurance industry to develop a plan that would permit 20/20/15 former spouses and others with shorter periods of marriage, service, or overlap to convert from the military health care system to competitively priced coverage in the private sector.

Unfortunately, the task has proven more time-consuming than anticipated, and the committee recommends a provision to ensure that those former spouses provided transitional coverage from military health care to private coverage are not left unprotected. Section 634 would continue military medical coverage for eligible former spouses until the end of the two-year period following the final decree of divorce or April 1, 1988, whichever is later.

The committee directs the Secretary of Defense to explore with private insurors the broadest variety of options and alternate ways to deal with obstacles identified during preliminary discussions among insurors and representatives of the department.

The committee further directs the Secretary of Defense to provide a report to the Committees on Armed Services of the Senate and House of Representatives not later than December 31, 1986, on the development of a conversion plan and any legislative authority that may be required to ensure its prompt implementation.

PART D—EDUCATIONAL ASSISTANCE PROGRAM

SECTION 641—TUITION ASSISTANCE FOR ARMY RESERVE COMPONENT OFFICERS

The Department of the Army has directed that the education levels for commissioned officers in the selected reserve be upgraded, including the attainment of a baccalaureate degree before promotion to pay grade 0-4. These tougher education requirements are designed to approximate more nearly the education requirements for the active components and are consistent with the increased utilization of the reserve and guard in the Total Force.

As a result of an interpretation by the Army Judge Advocate General of section 2007 of title 10, United States Code, reserve component officers have been unable to use the tuition assistance program to complete baccalaureate degree requirements. Under current law, those seeking to attend classes on a less than half-time basis are unable to qualify under the reserve G.I. Bill.

Public Law 99-190, making further continuing appropriations for fiscal year 1986, contained a provision (Sec. 8086) clarifying that the tuition assistance program could be used by reserve and guard officers of the Army. Section 641 recommends a similar provision, including a requirement that the officer must agree to remain in the selected reserve for at least four years after completion of the education or training.

In addition, section 641 would limit eligibility to members of the Army reserve components for undergraduate courses only. Further, an individual would be unable to use both the tuition assistance program and the reserve G.I. Bill; in other words, an individual able to attend classes only on a part-time basis would be able to use tuition assistance, but an individual able to attend classes at a half-time or greater rate would be expected to use the G.I. Bill. Finally, during fiscal year 1987, funding would be limited to the fiscal year 1986 level of $4.2 million.

In conjunction with the Army's program to upgrade the education level of its reserve officer force, the committee believes that the Army should review the educational requirements for initial commissioning as an officer in the Army Reserve or for Federal recognition of officers appointed in the Army National Guard.

Part E—Cost Reductions

SECTION 651—COST REDUCTIONS FOR FISCAL YEAR 1987

The committee recommends various cost reductions in section 651 pertaining to permanent change of station moves, the selective reenlistment and enlistment bonus programs, officer personnel management (officer-to-enlisted ratio) and reserve unit and individual training. These cost reductions are addressed below.

Permanent change of station (PCS) moves

The committee reiterates the concerns it has expressed for a number of years about the number and costs of transfers of military personnel from one permanent duty station to another—commonly called permanent change of station (PCS) moves. The committee continues to view PCS issues from three equally important perspectives: first, the need to eliminate frequent and unnecessary moves—a situation that creates turbulence and causes undue hardship on military families; second, the need to adequately compensate and/or reimburse service members for the cost of government-directed moves; and third, the need to manage taxpayer dollars in the most prudent, cost-effective manner possible.

Last year the committee directed the Department of Defense and the services to review a number of ideas designed to reduce the number and cost of PCS moves. The committee commends the Department of Defense for a thorough review of the PCS issues raised by the committee and notes that some of the Department's findings submitted in response to this direction serve as the basis for the committee's fiscal year 1987 PCS recommendations. In addition, the committee recommended significant improvements in PCS-related benefits last year in order to reduce military members' out-of-pocket expenses. Although the appropriations to fund some of these recommendations were not provided, the committee believes that some progress was made toward more adequately compensating members for military-ordered moves—particularly junior enlisted members with families.

This year, faced with new budgetary restraints, the committee recommends capping the dollars available for PCS travel at $2.209 billion—$593.5 million below the request—and directing that savings be achieved by the following:

(1) denial of requested increases in household goods weight allowances for officers and enlisted personnel in pay grades E-5 and above;

(2) absorption of projected PCS inflation;

(3) implementation of the Department of Defense's PCS reform initiatives (discussed later in this report); and

(4) delay in non-accession and non-separation PCS moves by approximately eight weeks or other initiatives to achieve comparable savings through a reduction in the number of moves. The committee directs the Secretary of Defense to minimize the impact on military dependents of school age who must either end or begin the school term on certain dates in his implementation of any PCS move delays.

Although the committee realizes that these recommendations will cause some inconvenience, the committee believes that they will impact less adversely on military members and their families than other reduction alternatives.

Selective reenlistment and enlistment bonuses

In an effort to meet budget reduction targets for fiscal year 1987, the committee recommends providing not more than 50 percent of a selective reenlistment bonus in a lump sum, initial payment, rather than the 75 percent authorized in the fiscal year 1986 Defense Authorization Act (Public Law 99-145). Further, the committee recommends capping the dollars available for selective reenlistment bonuses at $291.6 million. This reduction would require the Department of Defense to absorb a 15 percent cut in the resources available for new payments. The Department would manage this reduction as it sees fit, through the payment of the same bonus levels to fewer personnel, through the payment of smaller bonus levels to the same number of personnel or through a combination of different policies.

Additionally, given the recent favorable recruiting trends, the committee recommends not paying enlistment bonuses to new Navy, Marine Corps, or Air Force recruits during fiscal year 1987. The committee believes that the Army should continue to pay enlistment bonuses, however, given its traditional difficulties in manning hard-to-fill specialities, particularly combat-arms skills.

Enlisted to officer ratio

Since its post-Vietnam peak in 1977, the ratio of enlisted personnel to officers in the Armed Forces has declined from 6.5 enlisted personnel for every officer, to 6.0 enlisted personnel per officer in 1985, to slightly less than 6.0 today. The decline in the overall ratio does not appear to reflect changing military requirements nor to be explained by shifts in major military missions. There is no evidence that the declining ratio is a response to overall budgetary trends or to pay levels.

To achieve $100 million in savings, the committee recommends that officer personnel strength be managed to attain a ratio within the Armed Forces (other than the Coast Guard), of enlisted members to officers of not less than 6.12 to 1 by September 30, 1987, with the goal of achieving a ratio of 6.5 to 1 by September 30, 1990.

Reserve unit and individual training

Finally, the committee recommends capping the authorized funding for reserve unit and individual training at $5.084 billion, $112.5 million below the request.

OTHER PERMANENT CHANGE OF STATION (PCS) INITIATIVES

Tour lengths

Last year the committee directed the Secretary of Defense to evaluate several initiatives designed to lengthen military assignments and, thereby, reduce the number of PCS moves. As an outgrowth of these evaluations, the committee recommends adoption of several Department of Defense proposals designed to curb government PCS costs.

The committee notes that despite recent reductions in the rate of growth of annual PCS moves, little significant reduction in operational moves (moves within the continental United States or within an overseas theater) has been apparent over the past ten years. One reason for this situation is that no firm rule exists with regard to how long a service member must remain at one permanent duty station in the United States before transferring to the next. Although three years time on station is the objective, this goal is often overlooked and exceptions are granted freely and frequently. Moreover, service members are often moved to a new duty assignment even though they have relatively little time left on their enlistment contracts.

To correct this situation, the committee directs the Secretary of Defense to require military personnel to have at least three years time on station with at least two years retainability before making an operational move in the continental United States. Although some exception to policy and waivers will undoubtedly be in order, these should be kept to a minimum. Moreover, such exceptions should originate at the general/flag officer level and should be approved by the service Secretary.

A second reason for the high number of operational moves relates to the management of consecutive overseas tours. The services currently do not require that military members who are reassigned from one overseas duty location to another overseas location serve the prescribed tour lengths at both locations. For example, a service member accompanied by his family who serves in Germany and then transfers to the United Kingdom should serve six years in Europe—three years at each location. In practice, however, this service member may serve only two years in Germany before being reassigned to the United Kingdom where he would be required to serve only one year to complete the initial three year overseas requirement.

The committee directs the Secretary of Defense to require that service members serve the prescribed tour lengths at both locations in the case of an overseas operational move within theater. Once again, exceptions to this policy should be minimal and should originate at the general/flag officer level with the service Secretary granting final approval.

Finally, tour lengths in Alaska and Hawaii are identical to most overseas tour lengths: three years when accompanied by family members and two years when unaccompanied. In addition, current policy dictates that service personnel rotate out of Alaska and Hawaii at the end of their tours.

The committee does not believe that Alaska and Hawaii should be treated as overseas posts for purposes of assigning tour lengths. Accordingly, the committee directs the Secretary of Defense to change the assignment policy for Alaska and Hawaii to that of the continental United States—a three year minimum tour—except for remote locations. Moreover, the committee directs the Secretary to eliminate the mandatory rotation policy in order to afford the services the flexibility to station their members in Alaska and Hawaii for longer periods of time unless such personnel are required elsewhere for higher priority assignments.

The committee estimates that these changes in tour length policies will save more than 52,000 moves in fiscal year 1987.

Army's 18-month first term tour overseas

Another tour length issue highlighted by the committee last year was the Army's 18-month European and Japanese tour for first term personnel.

By way of background, prior to fiscal year 1980, the standard assignment policy for first-term enlistees serving three years or less effectively meant that those assigned to Europe served a minimum of 30 months overseas. Army officials began questioning the wisdom of this policy in 1974, citing morale and disciplinary problems as evidence that 30-month tours were too long. The problems identified appeared to be strictly Army problems and did not extend to the other services.

Following the European Commander-in Chief's declared support in 1978 for a shorter first-term tour, namely 18 months, a Tour Length Task Force was formed and charged with developing an Army position concerning an 18-month overseas tour for all first-term enlisted personnel. The Task Force looked both at sociological changes that had occurred in the makeup of the Army since the end of the draft in 1973, as well as quantifiable considerations, such as attrition rates, drug abuse, and crime rates among first-term personnel in Europe versus those in the United States. The quantifiable comparisons showed that some disciplinary problems were somewhat more prevalent among first-termers in Europe than among their peers in the United States, but the report indicated that this data was inconclusive since the Army's AWOL and desertion rates were much higher in the United States than in Europe.

Although the Task Force report did not demonstrate that the ills attributed to 30-month first-term tours of duty were indeed caused by the long tour or that they would be cured by shortening tours to 18 months, the Army's request to offer first-term three year enlistees an 18-month option in Europe was approved in fiscal year 1980 at an additional cost of between $35 and $75 million.

Since 1980, Army indiscipline rates in Europe have dropped substantially—a fact the Army attributes to the shorter tour. Unlike the Army, the committee is not convinced that improved discipline in Europe stems directly from the 18-month tour; rather the committee believes that factors like higher quality recruits, significant pay raises, and improvements in special and incentive pays and quality of life since 1980 are principally responsible for better discipline.

In response to the committee's direction last year, the Army reevaluated the 18-month tour, concluded that a longer tour would not be optimum from a military or cost effectiveness point of view and offered the following rationale in support of its position:

(1) Extending the 18-month tour would mean an uneven distribution of overseas tours among military personnel. (The committee notes that the durations of overseas tours for military personnel are already uneven. Moreover, the Army recently extended the tours of personnel in Europe for up to three additional months in order to achieve sequestration and other savings. Thus, the Army, by its own initiative, has ensured that members who were to have served 18 months in Europe will, in fact, serve up to 21 months in Europe.)

(2) Two-year enlistees would be ineligible to serve in Europe because they would be unable to serve a full 24-month tour. Three-year enlistees would be required to serve 30 months overseas because current Department of Defense policy does not allow the transfer of personnel with less than 11 months obligated military service; and 100 percent (versus the current 50 percent) of three-year enlistees would arrive in Europe with no unit experience. (The committee believes that the first two problems could be solved easily by changing Army and Department of Defense policy. Moreover, the committee notes that it has seen no evidence to suggest that the 50 percent of first termers who currently go directly to Europe after training and, thus, acquire their first unit experience overseas are any less capable than those who acquire their first unit experience in the United States.)

(3) Recruiting and reenlistment rates would decrease under a longer tour policy. The Army cites recent data indicating that most youth enlist for training reasons rather than for travel reasons; therefore, a longer tour in Europe would act as a disincentive to enlist. (The committee does not follow this logic since all recruits receive training whether they are sent to Europe for 18 months, a longer tour, or not at all. Additionally the Army "assumes" that reenlistment rates for first termers serving longer overseas tours are at least 5 percent less than the Army average. The committee notes that the Army offers no data to support this assumption and points out that personnel completing a tour in Europe would likely

be eligible to serve their next tour in the United States anyway if they reenlist.)

(4) Longer overseas tours would adversely impact the goal of minimizing overseas dependents among first-term enlistees. (The committee questions the appropriateness of this argument given that no significant decrease in the number of military dependents overseas appeared to occur with the advent of the 18-month tour.)

On balance, the committee does not believe that the Army has made the case for retaining the first term 18-month tour in Europe and Japan. The committee further believes that the Army's recent action extending European tours for up to an additional three months provides a unique test situation in which the Army can prove or disprove its claims regarding the impact of longer tours on indiscipline rates and retention. Accordingly, the committee directs the Secretary of Defense, in conjunction with the Secretary of the Army, to track and compare indiscipline and retention rates of those 18-month first term soldiers who were involuntarily extended for up to an additional three months in Europe with the indiscipline and retention rates of the 18-month first termers in Europe that immediately preceded the involuntarily extended group. Additionally, the committee directs the Secretaries to provide key demographic and other data on the first term enlistees that have served in Europe since 1980 including:

The force mix for two, three and four-year enlistees;

The number of single first term-members, married members serving unaccompanied tours and married members serving accompanied tours; and

The average tour lengths served by enlisted pay grade and marital status.

Finally, because Congress may in the future direct the Army to reduce the total number of PCS moves by replacing the 18-month tour with a longer tour, the committee directs the Secretary of Defense, in conjunction with the Secretary of the Army, to report on the appropriate duration of such a longer tour, the manpower policies that would have to be changed to accommodate such a longer tour and how those changes would be achieved.

This report, together with the appropriate data, should be submitted to the Committees on Armed Services of the Senate and House of Representatives no later than December 31, 1986.

Overseas tour extension incentive program

Last year the committee directed the Secretary of Defense to report on the feasibility of expanding the Overseas Tour Extension Incentive Program and to propose additional incentives to encourage voluntary extensions overseas. (The Overseas Tour Extension Incentive Program provides various incentives to soldiers serving in skill-imbalanced military occupational specialties who agree to voluntarily extend overseas: $80 per month during the extension period, 30 days additional leave or 15 days additional leave with round trip transportation to the nearest port of entry in the continental United States).

Unfortunately, the military services currently do not maintain the data necessary to determine the cost-effectiveness of the program as it exists today—let alone what the impact of an expanded program would be. The services have not analyzed the extension rates for the selected skills prior to inclusion in the program nor the changes that have occurred since inclusion. The committee, therefore, directs the Secretary of Defense, in conjunction with the service Secretaries, to track the data necessary to evaluate the cost-effectiveness of the Overseas Tour Extension Incentive Program, both in its present form and in an expanded form. The Secretary should report his findings, together with appropriate recommendations, to the Committees on Armed Services of the Senate and the House of Representatives no later than March 1, 1987. This report, among other alternatives, should include a description and evaluation of the Air Force's overseas tour extension incentive (Air Force personnel receive top priority for the overseas station of their choice if they agree to serve 12 additional months overseas) and the feasibility of extending this incentive to Army, Navy and Marine Corps personnel.

Household goods weight allowance system

In its fiscal year 1986 report on the defense authorization bill (H. Rept. 99-81), the committee expressed concern about out-of-pocket expenses incurred by service members during a PCS move and questioned the adequacy of current household goods weight allowances (the amount of personal effects a service member may ship or store at government expense while making a PCS move) given that the allowances are based on pay grade alone and do not take into account the existence of dependents in the household. The committee noted that the Department of Defense did not track the data necessary to determine empirically the appropriateness of current household goods weight allowances or the need to increase these allowances. (The department did not know, for example, how many pounds the E-5 population shipped on the average, nor what percent of E-5's exceeded their allowance.) Although lacking this important knowledge, the department proposed arbitrary increases in fiscal year 1986 for each pay grade based on the perceived inadequacy of the overall system—increases Congress denied (with the exception of increases for junior enlisted personnel with dependents).

In an effort to get a better handle on the household goods weight allowance system in the future, the committee instructed the Department to track average weights shipped by pay grade and directed both the Department and the General Accounting Office to review the existing and alternative household goods weight allowance systems, including the establishment of a with and without dependents allowance by pay grade. Based on the data provided in response to the committee's direction, that most service members are shipping far less than their approved ceilings and most of those who exceed their ceiling have dependents. Given these findings, the Department of Defense supports the establishment of a with and without dependents by pay grade system but with the stipulation that the with dependents allowances be the increased levels requested in fiscal year 1986 and assumed in the fiscal year 1987 budget. The without dependents allowances would be those currently in effect. The problem is that the department did not provide a rationale for why single members need the levels they currently have (given that most ship far less than they are allowed) nor why the proposed increases for members with dependents are more appropriate levels. Instead, the department once again proposed arbitrary increases without analyzing specific needs by pay grade.

Although the committee wholeheartedly supports the establishment of a with and without dependents household goods weight allowance system, it cannot support the specific allowances proposed by the department given the lack of data and analysis supporting the proposal. Accordingly, the committee recommends denying the weight allowance increases contained in the fiscal year 1987 budget.

In order to change the system in an empirically reasoned and fair manner, the committee directs the Secretary of Defense to submit a plan to restructure the household goods weight allowance system *within existing resources* and to establish specific ceilings for members with and without dependents by pay grade. The plan should be accompanied by the empirical data supporting the specific ceilings proposed and should outline what percentage of PCS moves the allowances are to cover. For example, if the plan proposes that the allowance for an E–6 with dependents should be increased from 8000 to 9000 pounds, the plan should demonstrate that most E–6's with families have closer to 9000 pounds of essential household goods than 8000 pounds. Likewise, if the plan proposes that the allowance for an E–6 without dependents should remain at the 8000 pound level, the data should demonstrate that most single E–6's need and, in fact, ship close to that level of essential household effects. Finally, the plan should outline what percentage of E–6 PCS moves ought to be and will be covered by the proposed allowance.

The plan, together with supporting data, should be submitted to the Committees on Armed Services of the Senate and the House of Representatives no later than December 31, 1986.

Army test of cash incentive to ship fewer household goods

Last year the committee directed the Secretary of the Army to develop a test plan to provide a cash incentive to encourage service members to ship less than the maximum household goods weight allowance for their pay grades. The committee based this direction on 1) the belief that most service members exceeded their household goods weight allowances during a PCS move and 2) the belief that many service members may be shipping non-essential items and that, if given the proper incentive, they would stop doing so and, thereby save the government money.

Since that time, the Department of Defense provided the committee with household goods shipping data that indicate that service members, on the average, are shipping about 3000 pounds less than their approved allowances, or only about 60 to 70 percent of what their allowances would have permitted them to ship. Within these totals, the data also indicate that members with dependents are shipping more than members without dependents.

The committee continues to believe that a cash incentive to ship fewer household goods may result in cost savings for the government. Accordingly, the committee directs the Secretary of the Army to conduct a single installation test of this concept during the first half of fiscal year 1987. The committee further directs the Secretary of the Army to offer the following incentive to members with dependents to ship fewer household goods during their next PCS move:

> Pay 50 percent of the per pound cost to ship for every pound comprising the differential between weight actually shipped and a baseline figure to be determined as follows:
>
> Officers: 50 percent of maximum weight allowance;
>
> Enlisted personnel: 40 percent of maximum weight allowance.

This means that if a major with dependents, for example, ships less than 6,000 pounds (50 percent of 12,000—the maximum allowance for a major), he would be eligible to receive a cash payment under the test. The amount of the cash payment would depend on the number of pounds under 6,000 he ships. If he ships 2,000 pounds less than this amount and assuming a per pound transportation cost of $.76, he would receive $760 (2000 × $.76÷2=$760) and the government would realize a $760 cost avoidance by not shipping the full 6,000 pounds. The total cost of the government under this example would be $3,800 (4000 pounds shipped×$.76 per pound+$760 cash payment to the major) versus a possible $9,120 if the major had shipped the full 12,000 pounds he was allowed.

The committee further directs the Secretary of the Army to counsel service members on the details of the test and to evaluate the incentive's success in persuading members to ship fewer household goods. As part of this evaluation, the committee believes that service members at the selected installation should complete a questionnaire as part of their PCS out-processing and that such a questionnaire should ask whether and to what extent they divested themselves of unnecessary household goods in order to receive a cash payment.

This report, together with accompanying data, should be submitted to the Committees on Armed Services of the Senate and the House of Representatives no later than June 1, 1987.

Miscellaneous PCS savings

Since 1960, the military services have based PCS travel entitlements on the assumption that a service member can travel 300 miles in a single day. Although this may have been an appropriate level before the advent of a highly developed interstate highway system, the committee believes that it is low by today's driving standards.

The Department of Defense recommends raising the miles per travel day standard to 350. This is the level the Central Intelligence Agency, the Department of Transportation, the State Department and some other Federal agencies use to compute their per diem and other allowances. By raising the standard in this fashion, the travel time for many PCS moves could decrease. For example, travel time for a cross-country PCS move would drop from 10 to 8.5 days, thus eliminating the payment of one day's travel allowances. Because the committee believes that 350 miles per day is a more reasonable and cost-effective level for land travel within the continental United States, the committee directs the Secretary of Defense to adopt this new miles per day standard.

In addition, as a result of extraordinary budgetary pressures, the committee agrees with the Defense Department's proposal to align the computation policy of the Temporary Lodging Expense (TLE) with that of the Temporary Lodging Allowance (TLA). (Both TLE and TLA are designed to reimburse members and their dependents for housing and other expenses associated with occupying temporary quarters while departing the old permanent duty station or finding/awaiting permanent housing at the new duty station. TLE is paid when the wait occurs in the continental United States; TLA is paid when the wait occurs overseas.)

The computation of TLA is tied to the local per diem rate; the size of the military member's family; the actual cost of quarters; whether the temporary quarters have kitchen facilities; and other allowances the service member is receiving. TLE neither considers actual lodging costs nor other allowances the member receives.

Because both allowances have the same purpose, the committee believes that they should be computed on the same basis. Accordingly, the committee believes that the Secretary of Defense should align TLE computation procedures with those of TLA since TLA most closely reimburses service members and their families for actual expenses incurred. With the savings achieved, the committee hopes at some time in the future to be able to increase the number of days of TLE authorized to relieve the financial burdens of those forced to remain in temporary quarters in excess of four days.

Finally, section 614 (discussed elsewhere in this report) recommends changing the entitlement to Family Separation Allowance (FSA)—Type II so that it is payable only to members who involuntarily separate from their families. In order not to disadvantage military families who are presently dependent on this allowance, the committee recommends grandfathering those who currently are serving an unaccompanied tour in an accompanied tour area and who are receiving FSA—Type II.

Relocation assistance

In an effort to reduce the stress and uncertainty associated with frequent permanent changes of station, the fiscal year 1986 Defense Authorization Act (Public Law 99-145) directed the Secretary of Defense to report on the desirability and feasibility of providing relocation assistance to military members and their families through contracts entered into by the Department of Defense with relocation firms. Such contract relocation assistance has been available to private sector and Federal civil service employees for a number of years.

The committee was not satisfied with the relocation assistance report provided by the department in fulfillment of this legislative provision.

Although the report outlined some of the more costly relocation services available by contract, it did not discuss some of the less costly services. Most notably, the report did not mention the availability of extensive automated housing and community information systems used by private sector relocation firms. Such information systems could be utilized by military members and their families to familiarize themselves with their new duty station *before* leaving their old duty station. Although a few housing referral offices currently have similar systems, the majority of service members and their families depend instead on military sponsors and "welcome packets" that describe their new post to gain this up-front, vital information. As one might expect, the successful and timely dissemination of information under this system is wholly dependent on the personalities of individual sponsors, the quality and currency of the welcome packets and whether or not military family members actually obtain the information before they move.

Although the Department of Defense report briefly described the kinds of relocation assistance currently provided military families through the services' housing referral offices and family service centers, it did not attempt to evaluate the level of satisfaction with these programs. The committee believes that the satisfaction factor is crucial when considering whether the private sector could be helpful in improving relocation assistance to military families. Based on the *1985 DoD Survey of Officer and Enlisted Personnel and Military Spouses* and the *DoD Survey of Living Conditions Overseas, 1984*, it would appear that the biggest problems facing military families are related to permanent changes of station and that many service members consider assistance currently provided by the Department of Defense during relocation to be inadequate.

Given the large number of PCS moves each year, the emotional stress associated with such moves, the apparent dissatisfaction of a significant number of military families with current services and the importance of family satisfaction to military recruitment, readiness and retention, the committee believes that the idea of providing contract relocation assistance merits further investigation. Accordingly, the committee directs the Secretary of Defense to conduct a contract relocation assistance test primarily to support members of the armed forces and their dependents undergoing a permanent change of station. The test should augment and integrate existing housing referral and family support relocation services with contractor provided and/or managed relocation services. Contractors selected to provide services as part of this test should have extensive experience in relocation of private sector and/or Federal civilian employees. Contractors, as a minimum, should provide an automated information system containing current data on housing rentals and sales, cost of living, schools, child care, and general community information.

In addition, the contractors selected should be invited, at no additional cost, to offer other services including, but not limited to:

Spouse employment information;

Marketing assistance on how to sell and buy "smart";

Property management information as an alternative to selling a home;

Housing goods management advice and counseling on working with movers; and

Financial counseling on mortgage products.

The committee directs the Secretary of Defense to ensure that information on PCS and housing entitlements, temporary quarters assistance and the clearing process for departing an old duty location is made available to military personnel at housing referral offices in addition to the contractor provided information.

The committee further directs that no current government employees involved in providing housing and relocation assistance to military members and their families should lose their jobs as a result of this test and that the contractor(s) selected to provide relocation services should also agree to train current employees in the use of the automated information systems and in appropriate counseling. Should the contractor(s) wish to provide additional personnel for this test, the committee directs that every effort be made to give employment preference to dependents of military personnel.

In addition, the test should:

(1) Last for a period of at least one but not more than two years;

(2) Be implemented at two locations as a minimum, including at least one major metropolitan area with a high concentration of junior and middle grade enlisted personnel; and

(3) Be conducted within existing resources. (The committee believes that contractors will be willing to provide relocation services *at little or no cost* to the government because of the profits they can make from military personnel who may wish to buy and sell homes through them; therefore, the committee does not forsee the necessity of using extensive appropriated funds for the test.)

Finally, the committee directs the Secretary of Defense to report on the effectiveness of the test to the Committees on Armed Services of the Senate and the House of Representatives no later than six months after its completion date as well as to provide periodic updates on the formulation, contracting and implementation of the test. The Secretary's final evaluation should address:

(1) Military family satisfaction with the contractor provided relocation assistance as compared to the satisfaction with the Department of Defense assistance provided during their last PCS move;

(2) Perceived dollar savings by the family, if any, as compared to their out-of-pocket expenses from the last PCS move; and

(3) Dollar savings to the government, if any, associated with military families spending less time in temporary quarters and keeping their household goods in storage for shorter periods of time as a result of settling into new housing more quickly, etc.

Temporary storage in excess of 180 days

The committee is concerned about recent confusion within the services and the Department of Defense regarding the authority to provide temporary storage of service members' household effects in excess of 180 days. The question is whether the services require specific statutory authority to permit storage beyond 180 days in the case of a military member who is still awaiting military housing 180 days after his permanent change of station.

In an effort to clarify this situation, the committee notes that under current law, the services have the authority to provide temporary storage in excess of 180 days for whatever reason they see fit. The current Joint Travel Regulations, however, restrict this broad authority to cover only those service members who are on "temporary duty or deployment in excess of 90 days or for an indefinite period." In other words, providing temporary storage beyond 180 days to personnel awaiting military housing is prohibited by regulation.

The committee does not believe that the current restrictive regulation governing temporary storage beyond 180 days is appropriate in view of the significant delays military personnel often encounter in obtaining military family housing. Accordingly, the committee directs the Secretary of Defense to revise the appropriate sections of the Joint Travel Regulations to permit the temporary storage of household goods beyond 180 days when such action is justified by reasons that are beyond the control of the individual service member.

TITLE VII—UNIFORM CODE OF MILITARY JUSTICE

LEGISLATIVE PROVISIONS

SECTION 702—ESTABLISHMENT OF DEFENSE OF LACK OF MENTAL RESPONSIBILITY

Section 702 would establish a statutory insanity defense in the Uniform Code of Military Justice (UCMJ).

In 1984, Congress established a new insanity defense in the Federal criminal code. The new standard requires an accused to prove the defense of insanity by clear and convincing evidence. Codified as section 20 of title 18, United States Code, the provision refers broadly to prosecutions under any Federal statute. The applicability of the new standard in trials by court-martial, however, is uncertain.

To apply the new Federal standard in courts-martial without conforming amendment to the UCMJ could present significant problems. For example, shifting the burden of proof to the accused arguably would conflict with Article 51 of the UCMJ, which places the burden on the prosecution to prove all elements of guilt beyond reasonable doubt. If an exception to the rule of Article 51 should exist, it should appear in the Code.

The committee recommends resolution of any ambiguity by incorporation of the Federal standard in the UCMJ.

SECTION 703—APPLICATION FOR ENLISTED MEMBERS TO SERVE ON COURT-MARTIAL

Section 703 would allow an accused enlisted member to request orally that at least one-third of the members of a court-martial be enlisted members. Currently, such a request must be in writing and signed by the accused. Section 703 is similar to the provision in the Military Justice Act of 1983 authorizing oral requests to be tried by a military judge sitting without a jury.

SECTION 704—COURT-MARTIAL JURISDICTION OVER RESERVE MEMBERS

Section 704 would conform the UCMJ to the total-force policy by subjecting members of the reserve components in Federal status to the same disciplinary standards as their regular-component counterparts.

The provisions of the UCMJ addressing jurisdiction over reservists were drafted more than 35 years ago. At that time, the reserve was viewed as a separate force. The reserve components today have greater responsibilities in the national defense than ever before. The armed forces depend on one-and-one-half million ready reservists in addition to the active forces of more than two million regular members. Reserve training assignments are closely integrated with the missions of active-component units, so that reservists provide valuable services to the armed forces while receiving on-the-job training.

Reserve units routinely participate with regular units in realisitc arms training and field exercises at home and abroad. They also directly augment actual active-component missions. For example, over 300 naval reservists relieved active personnel on board the U.S.S. *New Jersey* while that battleship was off the coast of Lebanon; approximately 33 percent of the tactical airlift missions flown by the Military Airlift Command involve reserve air crews; 75 percent of the continental air defense is performed by air national guard crews. In augmenting active-component units, reservists are routinely entrusted with state-of-the-art weapon systems and equipment, such as Abrams tanks, Bradley fighting vehicles, Blackhawk helicopters, M198 howitzers, Perry and Knox class guided-missile frigates, and C–5A, F–16, and F/A–18 aircraft.

This unprecedented growth in reserve structure, missions, and operations has heightened the need for effective military leadership and disciplinary control over reservists. As Senior Judge Cook noted in *United States* v. *Caputo,* 18 M.J. 259, 275 (C.M.A. 1984), Congress in 1950 "never considered the present amalgamation of the reserve forces into the total-force concept of today." Consequently, the military disciplinary system is encumbered with impediments to the appropriate exercise of jurisdiction over reservists.

The committee, therefore, recommends that the UCMJ be amended to reflect the reality of the total force concept by subjecting members of the reserve components in Federal status to the same disciplinary standards as their regular-component counterparts. The proposed amendments would eliminate the condition that a reservist voluntarily accept orders stipulating his amenability to UCMJ jurisdiction; permit the call or order to active duty of a member of a reserve component for the purpose of disciplinary action; and correct the lapse of jurisdiction over an offense committed by a reservist during a period of duty that ends before the offense is discovered.

The amendments would consolidate authority for the exercise of jurisdiction over reservists on active-duty training and inactive-duty training and eliminate the requirement that jurisdiction over offenses committed by reservists on inactive-duty training be conditioned on the voluntary acceptance of orders stipulating to such jurisdiction. A reservist would no longer be able to evade accountability for a breach of discipline merely by refusing orders. Reservists would be given the same notice that regular-component personnel receive regarding amenability to military jurisdiction.

The amendments would also permit the call or order to active duty of members of reserve components for investigation under Article 32, UCMJ, for trial by court-martial, or for nonjudicial punishment. Presently, no statutory authority exists to call or order reservists to active duty solely for disciplinary purposes, even when they are otherwise, amenable to the jurisdiction of the UCMJ. Such authority is necessary for timely disposition of offenses, to ensure morale and discipline within a command. Because a call or order to active duty should not always be necessary—disciplinary action might await the next regularly scheduled drill or period of active duty—the service Secretaries would be required to prescibe necessary implementing regulations.

The amendments would, further, bridge the jurisdictional gap identified in *United States* v. *Caputo, supra.* In that case, the United States Court of Military Appeals held that jurisdiction over offenses committed by a reservist during a period of duty was permanently lost in the absence of some affirmative action to preserve jurisdiction taken during that period of duty. Because reservists normally serve only for periods of a few hours or days at a time, offenses are often not discovered until after the end of the duty period. Even if an offense were discovered during a drill period, the action necessary to preserve jurisdiction may not be possible prior to the end of the drill. To have a reservist's accountability for an offense to turn on circumstances so fortuitous would detract from discipline and morale in reserve-component units.

Finally, the amendments would promote efficient administration in reserve units by allowing certain reserve personnel on inactive-duty training to administer oaths. Court-martial charges must be preferred under oath. Reserve commanders should not have to seek out an officer on active duty to swear on accuser. Moreover, reserve-component personnel on inactive-duty training should be authorized to administer oaths for the wide variety of purposes for which oaths are needed, including criminal investigations.

In the new subsection (d) proposed to be added to Article 2 of the UCMJ, the term "charged" would embrace both a court-martial charge preferred under Article 30 and a commander's proposal for nonjudicial punishment under Article 15.

With respect to the proposed amendment of Article 2, the committee intends not to disturb the *status quo* concerning state control of the national guard. Neither full-time national guard duty nor inactive-duty training performed by members of the Army National Guard of the United States or the Air National Guard of the United States as members of the national guard of a State or Territory, the Commonwealth of Puerto Rico, or the District of Columbia is duty or training in Federal service for purposes of UCMJ jurisdiction. Nothing in the proposed amendments is intended to confer Federal UCMJ jurisdiction over a member of the national guard for an offense alleged to have been committed while the member was not in Federal service.

With respect to the proposed amendment of Article 3, the committee intends not to disturb the jurisprudence of *United States ex rel. Hirshberg* v. *Cooke,* 336 U.S. 210 (1949).

SECTION 705—STATUTE OF LIMITATIONS

Section 705 would improve the quality and efficiency of the military justice system by adapting the Federal statute of limitations to the UCMJ.

Currently, the UCMJ provides a statutory limitation period of either two or three years for most offenses. The run of a limitation period can be stopped by forwarding a sworn charge to the officer exercising summary court-martial jurisdiction over the accused. In the overwhelming majority of cases in the military, serious offenses are discovered and prosecuted quickly. In recent years, however, two practical problems have developed with respect to the statute of limitations.

First, the offenses most likely to go undetected for substantial periods after their commission—particularly cases involving frauds against the government and child abuse—can involve lengthy investigations after their discovery. The material witnesses often have moved to different parts of the world. Second, when a service member leaves his unit without authority for an extended period, charges are often either not forwarded to or not timely received at the site of trial. Trial may be unnecessarily delayed because the original charge sheet is needed to prove that the statute of limitations was met.

The proposed amendments would ameliorate these problems by adapting chapter 213 of title 18, United States Code (relating to Federal civilian practice), to the procedures applicable in courts-martial. No statutory limitation on prosecution of capital offenses or war-time absence offenses would be prescribed. The current two-year and three-year limitations on prosecution of all other offenses would be replaced by a five-year limitation. The limitation period applicable to nonjudicial punishment, however, would remain two years. The run of a statutory limitation period would be suspended for any offense subject to military jurisdiction during any period of unauthorized absence, including a flight from justice.

A new provision, also based on Federal civilian practice, would allow a minimum of six months for reinstituting charges after their dismissal as defective or otherwise insufficient, even if the statutory limitation period might otherwise expire in the interim. The new provision would have the same effect as current Federal civilian provisions. A dismissal of a charge as "defective or insufficient for any cause" under this provision would be a dismissal by a military judge or convening authority based on a legal defect in the pleadings but not a dismissal by a convening authority as a matter of prosecutorial discretion. Statutory and constitutional rights to speedy trial would be unaffected.

SECTION 706—TIME FOR POST-TRIAL SUBMISSIONS

Section 706 would refine current law providing time for an accused to submit matters to the convening authority after trial. The current time periods were installed in the UCMJ in 1983. To determine the earliest date for convening authority action on a case, separate calculations must be based on the date of sentencing, the date of service of the record of trial on the accused, and the date of service of the staff judge advocate's recommendation on the accused. Tracking these different waiting periods imposes a significant administrative burden on military legal offices without corresponding benefit to accused persons.

Section 706 would set a simple baseline for calculating the time for post-trial submissions. Except in summary courts-martial, an accused would have 10 days from service of the record of trial or service of the staff judge advocate's recommendation, whichever is later, to submit matters for post-trial consideration. In summary courts-martial, the accused would have seven days following announcement of the sentence to submit such matters. These periods could be extended on the request of an accused. In most cases, these periods would be longer than allowed by current law and would not hamper an accused's ability to submit matters for post-trial consideration.

SECTION 707—DETAIL OF JUDGE ADVOCATES

Section 707 would amend Article 6 of the UCMJ, dealing with the roles of judge advocates in the administration of military law. In 1983, Congress amended the law governing assignment of military officers to civil offices in order to remove an implication that the law precluded military lawyers from performing duties for the Department of Justice. Military lawyers frequently represent the interests of the Department of Defense in the Federal courts. The committee recommends that the article of the UCMJ dealing with military lawyers be updated to reflect practice under the 1983 law.

SECTION 708—EFFECTIVE DATE

Section 708 would provide that, except as specifically provided by sections 702(b), 705(c), and 707(b) concerning the insanity defense, the statute of limitations, and the detail of judge advocates, respectively, the amendments made by Title VII take effect no later than four months after enactment.

TITLE VIII—DEPARTMENT OF DEFENSE MANAGEMENT

PART A—MANAGEMENT OF CERTAIN PROCUREMENT MATTERS

SECTION 801—CONTRACTS FOR OVERHAUL, REPAIR, AND MAINTENANCE OF NAVAL VESSELS

Section 801 would amend section 7799a of title 10, United States Code, to require the Secretary of the Navy to consider all costs of performing overhaul, repair, or maintenance work on a naval vessel in an area outside the homeport of that vessel (including costs to the Navy that are subject to estimation before contract award) in the evaluation of bids or proposals for a contract to perform such work.

Section 801 would also require the Secretary of the Navy to award contracts for overhaul, repair, or maintenance work on naval vessels of six months or less duration to a contractor able to perform the work in the vessel's homeport, provided that adequate competition is available among firms able to perform the work in the vessel's homeport.

Section 801 would also repeal section 8104 of the Department of Defense Appropriations Act, 1986 (section 101(b) of Public Law 99-190), which provides that none of the funds available to the Department of the Navy may be used to enter into any contract for the overhaul, repair, or maintenance of any naval vessel on the West Coast of the United States which includes charges for interport differential as an evaluation factor for award.

SECTION 802—HANDLING OF HAZARDOUS WASTE GENERATED DURING REPAIR OR MAINTENANCE OF NAVAL VESSELS

Section 802 would require that the Secretary of the Navy ensure that contracts entered into for repair or maintenance of a naval vessel include the following provisions:

1. That types and amounts of hazardous wastes that are expected to be generated during performance of repair or maintenance be identified in the contract;
2. That the contractor be responsible for the removal, handling, storage, transportation, and disposal of hazardous wastes generated during performance of repair or maintenance; and
3. That the contractor be compensated for the duties listed in paragraph (2).

Section 802 would further provide that the Secretary of the Navy renegotiate the contract if the contractor, during the performance of repair or maintenance under the contract, discovers hazardous wastes different in type or amount from those identified in the contract; and if such hazardous wastes originated on the naval vessel on which the repair or maintenance is being performed.

In including this provision the committee notes its support both for the identification of hazardous wastes that might originate on a naval vessel in the course of repair or maintenance work and for the need to deal with the handling of such hazardous wastes as a contractual matter between the Navy and the contractor.

The committee notes further, however, that the identification issue is but one part of the overall relationship between the Navy and its ship repair contractors concerning responsibility and liability for hazardous waste disposition. The issue is who should bear the ultimate liabilities that may be associated with the handling of hazardous wastes. The current absence of a contractual acceptance of such liability by the Navy for any hazardous wastes, including those originating on naval vessels, could make it difficult to assign even partial liability to the Navy should the hazardous wastes become an environmental problem at some future time.

The committee encourages the Navy to continue its ongoing discussions with representatives of the ship repair industry in an effort to resolve this issue. To that end the committee directs the Navy to report on the status of these discussions and on any recommendations for improving the current situation to the Committees on Armed Services of the Senate and House of Representatives not later than January 31, 1987.

SECTION 803—LIMITATION ON TRANSFER OF CERTAIN TECHNICAL DATA PACKAGES

Section 803 would authorize the use of Department of Defense appropriations for the transfer of a technical data package from any U.S. government owned and operated defense plant manufacturing large caliber cannons to a friendly foreign government. It would further authorize such funds to be used to assist a foreign government in producing a defense item currently being manufactured or developed in such plants.

Section 803 would provide for such transfers or assistance only if:

(1) the Secretary of Defense enters into a Memorandum of Understanding with the foreign government; and

(2) the Secretary of the Army determines that such a transfer would have a clear benefit to the preservation of the U.S. production base for large-caliber cannon.

Section 803 would also permit transfers to third parties only if the President:

(1) complies with all requirements of section 3(d) of the Arms Export Control Act; and

(2) certifies that the transfer would provide a clear benefit to the U.S. production for large-caliber cannon.

SECTION 804—INFORMATION CONCERNING USE IN MAJOR SYSTEMS OF COMPONENTS MANUFACTURED OUTSIDE THE UNITED STATES

Section 804 would require that each comprehensive annual Selected Acquisition Report (SAR) for a major defense acquisition program include information detailing the use of components manufactured outside the United States, including the dollar value and country of origin of such components.

The fiscal year 1985 Defense Authorization Act (section 1522 of Public Law 98-525) required the Secretary of Defense to conduct a study of the effect of foreign procurements and sales of defense articles on the industrial base of the United States. The study concluded that there is a lack of detailed data on which to base conclusions about the effects of foreign procurements, but that sample data suggests that there may be substantial quantities of foreign parts included in defense articles that totally escape current reporting systems. Section 804 would establish a requirement for the annual reporting of the use of foreign components in major defense acquisition programs so that data will be available in the future.

The recommended provision would cover only a portion of Department of Defense purchases and would require only limited data to be reported for the covered purchases. In recommending this limited provision the committee has attempted to balance demands for detailed data with the cost and burden of collecting more detailed data. To the extent that additional detail can be collected and summarized without undue additional cost or burden, data relating foreign components to individual contracts, to the type of contract, and to the ownership of the foreign producer (whether a U.S. subsidiary or foreign-owned enterprise) should be collected.

SECTION 805—REQUIREMENTS CONCERNING TRANSPORTATION OF MEMBERS OF THE ARMED FORCES BY CHARTERED AIRCRAFT

Section 805 would improve the procedures for ensuring the safety of passenger aircraft chartered by the Department of Defense for the transportation of military personnel. It would require the Secretary of Defense to establish safety requirements for air carriers. It would also prohibit the Secretary of Defense from contracting with a carrier unless the carrier satisfies safety regulations of the Department of Defense and has at least 12 months' experience operating air transportation services. Air carriers, before engaging in air transportation for the department, would be required to undergo a technical safety evaluation that would include inspection of each aircraft not more than 72 hours before each departure. After contract award, periodic inspections of each carrier doing business with the department would be conducted including, at a minimum, an on-site capability survey at least every two years, a performance evaluation at least every six months, unannounced ramp inspections of aircraft, and operational check rides.

Section 805 would require the Secretary to establish a review board to make recommendations on suspension and reinstatement of carriers and, also on waivers permitted by the bill. The Secretary, in addition, would be required to establish guidelines for suspension and reinstatement of carriers. Such guidelines would require an immediate determination whether a carrier should be suspended when an aircraft has been involved in a fatal accident. It would permit suspension if a carrier had violated any order, rule, regulation or standard or if an aircraft has been involved in a serious accident.

Section 805 would allow a representative of the Department of Defense to order armed forces personnel to leave an aircraft if he determines that a condition endangering safety exists on the aircraft.

This section would also direct the Secretary of Defense to request from the Secretary of Transportation a report on each inspection performed by the Federal Aviation Administration on each aircraft of a carrier under contract to the Department of Defense and on the status of corrective actions taken by the carrier.

SECTION 806—FUEL SOURCES FOR HEATING SYSTEMS ON MILITARY INSTALLATIONS

This section would revise section 2690 of title 10, United States Code, to provide the Department of Defense greater flexibility in choosing the type of fuel for heating systems on military installations.

Subsection (a) of the new section 2690 would provide the department with greater flexibility in choosing the type of fuel to be used in new and replacement heating systems at military installations in the continental United States. This is especially true with respect to larger heating units. Under existing law, new oil or natural gas (or a derivative of oil or natural gas) burning units constructed on military lands are limited to a heat input rate of 50 million British Thermal Units (BTU's) per hour. This section would lift this restriction, but such heating units would remain subject to the maximum heat input rate of 100 million BTUs per hour set by the Perplant and Industrial Fuel Use Act of 1978 for all major fuel burning units.

Section 806 also would repeal section 8110 of the Department of Defense Appropriations Act, 1986 (as contained in section 101(b) of Public Law 99-190) that sets mandatory coal consumption levels for new and replacement heating systems at military installations in the continental United States. The committee believes that the mandatory consumption levels set by section 8110 prevent the Department of Defense from using the most cost-efficient fuel for a particular heating system, and that this section requires expensive and duplicative studies of the costs associated with new heating systems.

The committee also believes that existing authority for third-party financing (10 United States Code 2394) is adequate to enable private firms to finance, design, build and operate facilities to provide heat for military installations.

Subsection (c) of the new section 2690 would remove restrictions on the conversion of coal fired heating to district heat for United States forces in the Federal Republic of Germany.

The Defense Appropriations Acts of 1985 (Public Law 98-473) and 1986 (Public Law 99-190) prohibited U.S. facilities in the Federal Republic of Germany from converting from coal fired heating to district heat. Over the last year the committee has been made aware of increasing concerns by the Federal Republic about the environmental impact of the continued use of coal at U.S. facilities. This prohibition has placed U.S. forces in a dilemma because local communities will not issue necessary work permits to continue coal use where district heating is available. Furthermore, the current prohibition is estimated to result in $20 to $40 million annually in unnecessary operating costs. More importantly, it will keep the Department of Defense from having to request up to $400 million in military construction authority and funds to meet new German pollution abatements by 1991—provided the necessary permits will be granted.

One of the principal arguments used to prevent further district heating arrangements is that district heat is vulnerable to being cut off by the Eastern Bloc in time of war or during a major crisis. The committee believes that this argument is overstated for a number of reasons. First, coal is not considered by the Department of Defense to be a strategic fuel. Second, coal only provides facility heat and most U.S. forces will evacuate their garrison location in time of war to move to forward positions. Additionally, by policy, Eastern Bloc gas will account for no more than 30 percent of the total Federal Republic of Germany's requirements by 1990. Finally, no district heating plant is known to be solely fired by natural gas, and most, if not all, are fueled from more than one source.

After carefully reviewing the environmental, cost and operational aspects associated with the current prohibitions on fuel sources for heating systems on military installations, the committee believes that the Department of Defense should vigorously pursue conversion to district heating system connections in the Federal Republic of Germany and be free to explore the most cost-effective strategies in addressing its heating requirements in the United States.

PART B—HEALTH CARE MANAGEMENT

The committee is extremely concerned about the current state of the military medical care system. As part of its oversight responsibility, the committee conducted an extensive review of military medicine over the last several years in an effort to evaluate whether the military medical care system is capable of effectively executing its dual mission: first, to achieve and maintain readiness for war through the procurement of appropriate equipment and people resources, training and planning; and second, to provide quality and timely care to the peacetime beneficiary population. Unfortunately, the committee has concluded that the system is currently incapable of performing either mission adequately.

MEDICAL READINESS

Although wartime medical readiness—the ability to treat battlefield casualties and to return as many as possible to duty—is crucial for sustaining U.S. forces in the early days of a conventional conflict, the last 15 years have seen insufficient emphasis placed on medical readiness.

Following the Vietnam war, the dual missions of military medicine received decidedly unequal emphasis. Specifically, the services devoted far more attention to the peacetime benefit mission—to the detriment of wartime medical readiness. Rather than using scarce medical resources to acquire surgeons in critical wartime specialties, for example, the services accessed, trained, and retained a disproportionate number of family-oriented physicians. As a result, the Army today has only 41 percent of its wartime need for orthopedic surgeons but 5,409 percent of the pediatricians required for war.

Hospitals provide another example of this disproportionate emphasis. Although recently the services have begun planning and programming for the acqusition of pre-positioned medical systems—standardized, mobile hospitals that can be deployed in the wartime theater on short notice—they have devoted disproportionate resources in the last ten years to building peacetime hospitals in the United States.

Despite at least five major Department of Defense and General Accounting Office reviews over the past six years highlighting medical readiness problems, insufficient progress has been achieved in improving overall wartime medical capabilities and instilling confidence in the system.

The last major Department of Defense report on medical readiness was issued in April 1984. "Medical Readiness in the U.S. European Command"—popularly called the Zimble Commission report after the rear admiral who headed the investigation—was an outgrowth of concerns raised by the medical system's performance after the 1983 terrorist bombing of the Marine barracks in Beirut. Among other findings, the Zimble Commission reported that the U.S. European Command has neither adequate medical readiness resources nor effective joint plans for the use of the resources it has. Additionally, surgical and aeromedical evacuation capabilities are inadequate to meet wartime requirements; the wartime medical system relies heavily on support for host nations that may not be forthcoming; medical planning elements are understaffed; and joint medical planning for wartime is woefully inadequate. Subsequent follow-up reviews, such as the classified report of the Surveys and Investigations Staff of the House Appropriations Committee issued in February 1986, indicate that, although some progress has been made, many of the problems highlighted in the Zimble Report remain equally severe today.

Several years ago, the Assistant Secretary of Defense for Health Affairs implied that 9 out of 10 battlefield casualties could die as a result of inadequate medical readiness. Last year, the current Assistant Secretary of Defense for Health Affairs testified before Congress that, during the first days of a major conflict, three-quarters of the wounded would not receive "life saving, stabilizing, hemorrhage-stopping, surgical care." The latter statement was based on the calculations that service medical units are only 30 percent mission-capable in terms of deployable medical systems, that is, mobile hospitals and accompanying equipment. But because the estimate does not account for other factors such as the number and specialty mix of personnel, communications, aeromedical evacuation, training, etc., it could understate the current lack of wartime medical readiness.

In fairness, the Department of Defense and the services have focused increased attention on medical readiness in recent years. Much more remains to be done, however. Shortfalls, and inadequacies continue in manpower, equipment, logistic support, aeromedical evacuation, communications, host nation support, joint planning and sharing of resources and in the peacetime and wartime control of medical assets.

Need for a master plan

Although most agree that the medical readiness system is "sick," agreeing on how to make the system "well" is extremely difficult. One point on which agreement should exist, however, is that the Department of Defense must have an integrated master plan in which all of the component parts of medical readiness from all of the services fit together to make the system "well" during a certain timeframe. Unfortunately, such a master plan does not exist today.

The Assistant Secretary of Defense for Health Affairs is attempting to fulfill this kind of planning and oversight responsibility. However, the services are apparently not affording adequate attention to all the component parts of the plan. As a result, the component part that has received the most attention—namely, the deployable medical systems—is proceeding out of sync. The services plan to spend over $4 billion in the next five years on deployable medical systems—including two new hospital ships for the Navy—and accompanying personnel. The medical readiness system should be "well" by 1992, according to the Department of Defense, meaning that the deployable medical systems will be procured and prepositioned.

Indeed, some deployable medical systems are already stored in Europe. The problem is that six years after some of these hospitals were initially funded they apparently have far less then half of their required equipment. Furthermore, much of the equipment on-hand is already considered excess and perishable supplies are being procured in some cases before most of the equipment has even been procured.

Other elements are proceeding out-of-sync as well. Personnel—particularly requirements determination and acquiring needed medical skills—has taken a back seat; doctrine and plans for fielding new medical systems and training personnel in their use are incomplete even though new equipment is arriving this year. Additionally, aeromedical evacuation and medical command and control have not received attention commensurate with their importance to the wartime medical care system. Deployable hospital site acquisition has lagged. And most importantly, joint planning—particularly sharing medical resources among the services—is still practically non-existent.

Although the Department of Defense is trying to eliminate overlaps between the services and to ensure adequacy and consistency in all areas, without a logical and integrated master plan, gaping holes in a supposedly "cured" wartime medical readiness system may remain in 1992, after devoting $4 billion to the problem.

Should Congress continue to support medical readiness initiatives in the absence of such a plan? Specifically, should Congress authorize and appropriate resources for deployable hospitals and equipment if it cannot be sure that manpower, aeromedical evacuation, communications, etc., will be available to support the equipment? Even more fundamentally, does the $11 billion annual expenditure on the military medical care system represent a sound investment if the system can not adequately perform its wartime job?

To answer these questions, to restore credibility to the medical readiness system, and to ensure that the system will meet the needs of the Department of Defense and the services, the committee directs the Secretary of Defense to develop an integrated master plan for curing the ills of the wartime medical readiness system by 1992. The plan should include the specific objectives for the wartime military medical care system as well as guidance to the services on manpower, equipment and logistics, aeromedical evacuation, communications, and other factors necessary to achieve these objectives. The Secretary should assign the responsibility of coordinating and integrating service resources plans to a single organization. The cost of the master plan by service should be assessed and a description of the legislative initiatives that may be required to meet the goals of the plan (e.g., recruiting and retention incentives to eliminate manpower and skill shortages) should be included. Finally, to ensure that existing and pending medical assets provide for maximum readiness between now and 1992, the plan should establish and reflect *priorities* within each medical readiness area (e.g., manpower, equipment and logistics, aeromedical evacuation, etc.) and identify *strategies* for accomplishing these priorities as soon as possible. The Secretary of Defense should submit the master plan to the Committees on Armed Services of the Senate and the House of Representatives no later than December 31, 1986.

PEACETIME HEALTH CARE

In addition to maintaining the health and medical readiness of the active duty force, under law, the Department of Defense must provide a health benefit as a condition of service to more than 8 million dependents, retirees and survivors. It does so through a dual system of health care. Beneficiaries receive "direct care" in the military's 168 hospitals and over 300 clinics, when space is available; the separately funded Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) helps pay for civilian care when military treatment is not available.

Numerous critics over the past decade have charged the military with failing to deliver peacetime care efficiently, but to little avail. Many beneficiaries who are not on active duty continue to face severely limited access to low cost care, while the government pays ever-increasing costs. CHAMPUS costs have grown dramatically from fiscal year 1985 to fiscal year 1987.

Clearly, the structure of the military health system needs to change. First and foremost, the system must develop incentives for providing care efficiently. Therefore, the committee recommends that the Department of Defense carry out the following reforms:

(1) Integrate programming for CHAMPUS and direct care resources through a Military Health Care Account;

(2) Phase in a health care enrollment for beneficiaries not on active duty; and

(3) Use Diagnosis Related Groups (DRGs) to program resources for direct military care, supported by adequate automated information systems.

Though comparatively modest, these steps are essential to improving the military health care system's effectiveness. The committee views them as complementing rather than supplanting more far-reaching reforms, such as the Department of Defense's proposed CHAMPUS reform initiative, commonly called Project Imprint.

Project Imprint

The Department of Defense has initiated Project Imprint as its major reform for military health care, a dramatically different approach to the current CHAMPUS program. The CHAMPUS reform initiative would, effective October 1, 1987, replace CHAMPUS with three regional contractors—and, perhaps, ultimately with a single, nationwide contractor—who would be responsible for providing care to dependents and retirees at a fixed cost. The Defense Department's health insurance program would no longer be self-insured. Instead, the civilian contractors would be at risk for all care not provided in military medical facilities. The contractors, presumably large hospital corporations or consortiums of insurance carriers, would be responsible for having sufficient management expertise to contract with a variety of subcontractors—preferred provider and health maintenance organizations, for example—for the care required. The prime contractor would be responsible for establishing a network of primary care centers that would act as "gatekeepers" for initial entry into the system, referring care as necessary to the military facilities in the region.

The goals of the CHAMPUS reform initiative are laudable. That the Department of Defense should seek the best buy on good quality medical care for its beneficiary population is obvious. But the very magnitude of the changes entailed gives the committee cause for concern. The department plans to implement Project Imprint nationwide on October 1, 1987. Does the military health care system have the expertise to write, execute, and oversee three large contracts on a nationwide basis? If the answer is anything other than unequivocably in the affirmative, the impact on beneficiaries could be detrimental.

The committee directs the Secretary of Defense to show that Project Imprint is a feasible and cost-effective concept in no more than two of the current CHAMPUS fiscal intermediary regions for a period of not less than one year before proceeding to nationwide implementation. At the same time, the Secretary should proceed with the committee's other recommendations for improving the operation of the military health care delivery system.

In addition, the committee is concerned about the potential ill effect of the CHAMPUS reform initiative on military retirees, their dependents, and survivors. Any restructure of the current system should consider the impact on the ability of retirees and dependents to obtain services at military medical facilities.

Integrating CHAMPUS and direct care

In 1975, a report issued jointly by the Defense Department, the then-Department of Health, Education and Walfare, and the Office of Management and Budget noted that "medical care programming for health care delivery resources is now fragmented and potentially uncoordinated, since there is no existing requirement that CHAMPUS and direct care resource programming be integrated." In the eleven years since, little has changed.

Results of budget fragmentation

Benefit payments under CHAMPUS—now running over $1.5 billion a year—are financed centrally in the Defense Agencies appropriation for Operation and Maintenance. Their level is, therefore, of no concern to the services. Why should the services try to use military treatment facilities more fully, thereby absorbing more expensive CHAMPUS workload, when they are not accountable for those CHAMPUS dollars?

Indeed, the present budgetary set-up encourages the services to shift patients out of direct care, with little regard for CHAMPUS expenses. During the first six months of fiscal year 1986, for example, the services issued 19.3 percent more non-availability statements (permission to forgo direct care for treatment in military hospitals) than during the same period a year earlier. CHAMPUS felt the shift directly. Within catchment areas (defined as roughly the 40-mile radius around military hospitals) CHAMPUS claims for inpatient care during the first six months of fiscal year 1986 were up 19 percent over the level of that period in 1985; outside catchment areas, the number of CHAMPUS users remained relatively stable.

The unexpected surge in CHAMPUS claims is a significant factor behind this year's nearly half-billion dollar CHAMPUS shortfall. To compensate, the services will have to reprogram funds from other accounts, though not necessarily from their Operation and Maintenance accounts for medical care. Thus, reprogramming will have virtually no effect on the individual medical facilities whose actions contributed to the CHAMPUS shortfall.

Integration through a transfer account

This situation will only change if the services program funds for direct care and CHAMPUS in unison. To move in this direction, the committee recommends creating the "Military Health Care Account," a transfer account administered by the Secretary of Defense.

Under the transfer account, all funds currently appropriated to the Operation and Maintenance, Defense Agencies, account for Civilian Health and Medical Program of the Uniformed Services would instead be placed in the Military Health Care Account. Based on service estimates of projected CHAMPUS expenses, the Secretary of Defense would transfer to the services' Operation and Maintenance accounts on a quarterly basis those funds from the Military Health Care Account that the Secretary determines necessary to meet each service's CHAMPUS obligations for that quarter. With their Operation and Maintenance appropriation for the direct care system and their allotment from the transfer account, the services would be responsible for providing medical care to their beneficiary population through the most economical means available. Thus, rather than referring a patient to CHAMPUS for care not available in a military hospital, it might prove less costly to utilize a part of the transfer account funds to contract for additional staff in the military hospital or to contract with civilian providers in the local community for certain services unavailable in the military facility due to staffing or other constraints. If the service were unable to pay the medical costs of its beneficiary population, the service Secretary would have to seek to reprogram funds appropriated for other programs to make up the shortfall.

In addition, the Secretary of Defense may find situations in which he would propose to contract for selected types of medical care on a cross-service basis, such as the mental health demonstration project to be implemented in the Tidewater region of Virginia, or to contract for the total care of some portion of the beneficiary population, as proposed by Project Imprint. In such instances, the Secretary would be able to retain a portion of the funds in the transfer account and would be provided clear statutory authority to enter into such contracts.

Health care enrollment

The Defense Department lacks adequate information on both the size and demographic characteristics of its beneficiary population. Unlike private insurers, who usually underwrite contracts on the basis of a defined beneficiary population, military treatment facilities do not know the true size of the patient population that they serve. Currently, beneficiaries flow between CHAMPUS and direct care virtually at will; the managers of both systems are unable to budget with any certainty for a specified beneficiary population due to the lack of data available.

This lack of certainty creates substantial disruption for beneficiaries as well; they do not know from one visit to another, first, whether specific types of care will be available at the military hospital and, second, if available, how long the wait for that care will be. It is a no-win situation for all concerned.

A health enrollment system—under which would select beneficiaries to one major source of care—would enable the department to measure both its beneficiaries' rates of use and its health care providers' productivity. Equally important, a clearly identified source of care should result in greater satisfaction for beneficiaries.

Two years ago, in a congressionally-directed study, the Rand Corporation endorsed the feasibility of a voluntary system of health enrollment. Under it, each military treatment facility would provide care to a fixed set of beneficiaries, including all active duty persons in its catchment area (roughly a 40-mile radius), and any nonactive beneficiaries choosing to enroll; all other beneficiaries, inside and outside catchment areas, would enroll in an alternative health plan. Open-ended referral to the civilian sector would end.

Phase in the enrollment

Though health enrollment is feasible in concept, many details remain to be addressed. Therefore, the committee recommends phasing in a nationwide system of health enrollment (possibly in conjunction with Project Imprint) over the next three years, beginning October 1, 1987. The department should use this period to resolve various issues: What sort of civilian plans will be available? Will all beneficiaries pay the same cost-shares; might some have to pay premiums? How will the department assure the quality of civilian care? And what is the appropriate way to organize the enrollment—should it be centered around individual military treatment facilities, or based on larger regional entities?

These issues are not unique to a health enrollment. The department will face the very same questions as it proceeds with Project Imprint. The committee, in fact, views better definition of the beneficiary population through some type of enrollment mechanism as essential to the successful implementation of Project Imprint. Otherwise, the problems inherent in the flow of beneficiaries between direct care and CHAMPUS may only be exacerbated by the addition of a contractor layer. Therefore, the Secretary of Defense is directed to submit to the Committees on Armed Services of the Senate and House of Representatives a report, no later than March 1, 1987, on the department's plans for establishing and implementing a system of health care enrollment.

Budgeting with diagnosis related groups

For the past 25 years, the Composite Work Unit (CWU) has guided resource programming for military treatment facilities. Based on a simple formula that aggregates hospital admissions, hospital bed-days, live-births, and outpatient visits, the CWU deprives direct care providers of incentives to work efficiently. Put simply, the greater their workload, the larger their budget, regardless of their workload's complexity or its contribution to overall health. One result is a bias in favor of expensive inpatient services; on average, military treatment facilities must process fifty-three outpatient visits to earn the CWU credit of just one inpatient admission.

Health care units

Recognizing that the military health care system needs a better system for programming resources, the Defense Department has introduced a new measure, the Health Care Unit (HCU). Though an improvement over the CWU—it considers rough differences in case mix—the HCU is no panecea. Besides continuing some of the CWU's problems, it may inadvertently encourage military hospitals to increase lengths of stays.

Diagnosis related groups

In the committee's view, a more promising way to manage resources is by Diagnosis Related Group (DRG), a classification system recently adopted by Medicare for its prospective payment program, and by the Veterans Administration (VA) for its internal budgeting. The system assigns patients among 467 diagnostic groups that differentiate the amount of hospital resources required to provide care and that make clinical sense to physicians. By basing budgets on DRGs, the department would ensure that hospitals with the most complex workload receive the most resources. It could also encourage military hospitals to shorten the average length of stay.

Although seen as a tool for budgeting, the DRG system has other potential uses. It can help military medical commanders monitor the use of resources, as well as the quality of care. Because the DRG system sets guidelines for deciding standards and norms of medical practice, it can help clinicians in their day-to-day practices. Finally, the Surgeons General can use DRGs to compare patterns of health care delivery among their services' hospitals.

Because of these advantages, the committee recommends that the Defense Department institute DRGs as a primary tool for allocating direct care resources, beginning in fiscal year 1988. The committee is pleased to note that the military services have already invested considerable work into developing DRGs. But much work remains: developing DRGs for psychiatric and pediatric care, developing analagous Ambulatory Visit Groups for outpatient care, expressing differences in severity of illness, and accounting for military specific requirements. Accordingly, the Secretary of Defense is directed to submit a report to the Committees on Armed Services of the Senate and the House of Representatives, no later than May 1, 1987, on progress towards developing and implementing DRGs.

Medical Management Information System

To manage by DRGs successfully, the commanders of military medical facilities must have the means to identify the costs of medical services as they are provided and relate these costs to patients' diagnoses and problems. Unfortunately, the direct care system is sorely lacking in computer capability. Moreover, the present cost accounting system, the Uniform Chart of Account, is inadequate for DRG management because it provides no information on individual costs.

The department, through the Tri-Service Medical Information System program office, does plan a great expansion of computer capability over the next few years. (Its initiative, the Composite Health Care System, is addressed under section 812.) Accordingly, now is the time to plan for an alternative to the Uniform Chart of Account—namely, a medical management capability based on patient-level data, oriented to the patient encounter or case. The department should fully specify this feature before purchasing any new computer system; waiting until such a system is in operation to phase in a medical management capability would raise costs substantially.

LEGISLATIVE PROVISIONS

SECTION 811—IMPROVEMENT OF MILITARY HEALTH-CARE DELIVERY SYSTEM

Section 811 would implement the changes in the operation of the military health care system discussed in detail in the preceeding section.

First, section 811 would provide specific contract authority for health care services to the Secretary of Defense. Currently, the Secretary has considerable flexibility to test alternative forms of health care delivery, including contracting for services, under the demonstration project authority provided in section 1092 of title 10, United States Code. Rather than relying solely on demonstration projects which can be very limited in scope, however, section 811 would provide general authority to contract for selected health care services, for total health care services for selected covered beneficiaries, or for total health care services for all covered beneficiaries within a specified area. The Secretary could contract with a variety of provider and insurers, including health maintenance organizations and preferred provider organizations.

The committee expects the Secretary to delegate this contract authority to the individual service Secretaries to facilitiate the most cost-effective use of funds from the Military Health Care Account in providing health care services for their beneficiary population.

Second, section 811 would establish a Military Health Care Account into which all funds currently appropriated to Operation and Maintenance, Defense Agencies, would be transferred. Based on service estimates of their projected Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) expenses, the Secretary of Defense would transfer to each service on a quarterly basis the funds determined necessary by the Secretary to meet each service's CHAMPUS obligation for that quarter. Using their operation and maintenance appropriation for the direct care system and their allotment from the transfer account, the services would then be responsible for providing all medical care to their beneficiary populations (including CHAMPUS costs) and would have to seek to reprogram funds appropriated for other programs to make up any shortfall.

Third, section 811 would direct the Secretary of Defense to establish a health care enrollment system in which beneficiaries would elect to enroll in a specific health plan, for example, the local military hospital, CHAMPUS, a civilian health maintenance organization (HMO), or Project Imprint and that plan would be responsible for ensuring the availability of all covered services to its beneficiary population. Thus, if a military hospital were unable to provide certain services due to staffing or other constraints, the hospital commander would be responsible for ensuring that those services were available from other sources, rather than sending the beneficiary to CHAMPUS in the civilian community, as is currently the case.

Enrollment should increase beneficiary satisfaction by improving their access to covered services and should facilitate more efficient management of the overall military health care system.

The committee expects enrollment to be accomplished on a voluntary basis; however, if necessary to ensure full utilization of military medical facilities or to meet medical readiness training requirements, the Secretary may assign beneficiaries to the local military hospital.

The committee recommends implementation of health care enrollment over a three-year period beginning October 1, 1987, and directs the Secretary to provide a report to the Committees on Armed Services of the Senate and House of Representatives on the establishment and initial implementation of the enrollment system not later than March 1, 1987.

Fourth, section 811 would require the use of Diagnosis Related Groups (DRG) (similar, but not identical, to the DRGs used by Medicare) as the primary budgetary tool for allocation of resources to military medical facilities. Use of DRGs would be implemented for inpatient procedures beginning October 1, 1987, and for outpatient procedures beginning October 1, 1988, with reports to the Committees on Armed Services of the Senate and the House of Representatives required by the preceding May 1 of each year on the Secretary's implementation plans.

SECTION 812—MILITARY MEDICAL INFORMATION SYSTEMS ACQUISITION

In view of the increasing complexity of medical care and, more specifically, to implement the recommendations previously outlined, the Department of Defense urgently needs automated medical information capability. Hospitals use computerized medical information systems to keep track of all aspects of care—from pharmacy, to nursing station monitoring, to preadmission testing. In addition, many hospitals use medical information systems for cost containment and management information purposes. Such systems are widely utilized in the private sector, and the Veterans Administration is in the process of implementing its own system. After ten years and the expenditure of $200 million, the Department of Defense has made little progress towards the actual installation of a medical information system in its hospitals. Audit report after audit report points to the inability of military hospitals to perform such basic functions as the adequate maintenance of patient records.

The Department of Defense wants to build an immensely complicated medical information system, known as the Composite Health Care System (CHCS). To find the best system, the department's Tri-Service Medical Information System program office (TRIMIS) is in the process of selecting vendors to compete in an extended benchmark test. The winner will install the CHCS in military facilities worldwide. Final installation is several years, and well over $1 billion, away.

The committee believes that the extended benchmark test is not an adequate basis for choosing this $1 billion-plus computer system. In the benchmark test, the vendors will simulate their systems under artificial conditions rather than compete head-to-head in a realistic environment. A system that performs well on paper will not necessarily perform well in the field. Nor will the benchmark test address the validity of the department's computer requirements, which some critics have charged are overdesigned. Under the benchmark test, vendors are supposed to demonstrate only Phases I and II of the CHCS's functional capability, not the more complex functions included under Phases IID and III.

For these reasons, the committee recommends abandoning the extended benchmark test. Instead, the department should compare the functional capabilities and costs (through Phase IID) of at least three competing systems in a realistic testing environment, namely a mix of large and small military facilities. Further, the department should require the vendors to provide an incremental cost and delivery schedule for each of the components at the 3.2 functional area system level for each module as listed in the request for proposals, to include the incremental cost and delivery schedule of each of the functions listed below:

Composite Health Care System: Provide Clinical Support, Perform Quality Assurance/Risk Management, Provide Patient Administrative Support, Manage Resources, Provide Reports/Displays, Manage System;

CHCS Patient Administration: Provide Patient Registration Data, Maintain Patient Episode Data, Manage Inpatient Bed Data, Manage System Data, Prepare Ad-Hoc Report/Display, Check Defense Enrollment Eligibility Reporting (DEERS) Eligibility, Maintain Medical Service Accounts, Maintain Navy Business Office, Support Medical Records, Support CHCS Program, General Systems Capabilities;

Radiology: Patient Identification, Registration, Order Processing, Procedure Scheduling and Patient Appointing, Procedure Logging, Results Processing, Image Library Management, Management Support, System Management;

Pharmacy: Patient and Order Identification, Registration/Admission, Patient Eligibility Checking (DEERS), Patient Inquiry Processing, Order Processing, Management Support, Inventory Management, System Management;

Nursing: Patient Identification, Patient Registration, Inpatient Administration, Nursing Process, Manage Human Resources, Manage Physical Resources, Perform Quality Assurance, Manage System;

Patient Appointment and Scheduling: Identify Patient, Identify Health Care Provider, Register Patient, Create/Maintain Schedules, Appoint Patients, Record Patient Encounter, Produce Operational Reports, Manage System, General Systems Capabilities;

Laboratory: Patient Identification, Patient Registration, Patient Inquiry Processing, Order Processing, Specimen Processing, Results Management, Blood Bank Laboratory Management Support, Administrative Support, Drug Testing Program Support, Tumor Registry Reporting, Anatomical Pathology Support, System Management, Inventory Management, Ad Hoc/User-Defined Report Generation;

Clinical Dietetics: Clinical Dietetics Administration, Select Patients of Interest, Maintain Patient Diet Order Data, Maintain Patient Nutrition Data, Maintain Menu Select Data, Maintain Nutrition Clinic Schedule, Compile Clinical Dietetics Work Data.

This assessment should include the functions listed under Phases I, II, IID, and III. The department, in turn, should assign the benefits expected to be achieved at each of these functional levels. In this way, the committee hopes to judge the validity of CHCS requirements and to determine which, if any, are grandiose. The Secretary should reconcile the CHCS's functional requirements with the findings of this test.

The committee also recommends that the department continue making every effort to test fairly the costs and benefits of the Veterans' Administration's (VA) Decentralized Hospital Computer System (DHCP). In the fiscal year 1986 Defense Authorization Act (Public Law 99-145), the Department of Defense was directed to test all available functions of DHCP in two military hospitals. If the DHCP can be demonstrated to be more cost-effective than the CHCS and to support greater quality and timeliness of care in military hospitals, then it should become the military's medical information system of the future. In section 812, the committee recommends extension of the test, including a requirement that the department, in consultation with the Administrator of Veterans Affairs, ensure that all components of the Veterans' Administration's DHCP are used at their current functional level in operation at VA hospitals.

Whatever the medical information system, the CHAMPUS reform initiative, known as Project Imprint (discussed previously in this report) introduces considerable uncertainty. The department's present computer requirements presuppose a certain level of workload throughout the military health care system. But Project Imprint would shift a substantial amount of primary outpatient care away from military facilities and significantly alter the type of care provided on an inpatient basis. The present CHCS requirements would thus give military medical facilities more computer equipment and capability than they may really need. To prevent potential waste, the Secretary should conduct a rigorous review of computer requirements in light of Project Imprint or other initiatives that may affect the functionality and workload requirements of the Department of Defense's planned medical information system and report his findings before obligating funds to install a medical information system.

To implement the committee's recommendation discussed previously, the system selected should have a medical management capability that includes the capability to manage patient planning on the basis of diagnosis related groups.

SECTION 813—CHAMPUS CATCHMENT AREAS

For many years, annual Defense appropriation acts included a general provision requiring beneficiaries who seek to use the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) for non-emergency inpatient care and who reside within a 40-mile radius, commonly called a catchment area, of a uniformed services medical treatment facility to obtain a statement from that facility that the care was not available before using CHAMPUS.

For fiscal year 1982, this recurring general provision was amended to exclude from the nonavailability statement requirement those beneficiaries who had insurance that met at least 75 percent of the inpatient cost. The goal of this amendment was overall cost savings in the Department of Defense medical budget based on the premise that the cost to CHAMPUS as secondary payer would be less than the cost to the military hospital for total inpatient care.

Although the majority of insurance plans pay at least 75 percent of covered inpatient costs, few are able to guarantee a precise level because payment determinations are made after care has been provided. Given this uncertainty, beneficiaries with other insurance continued to use military facilities, and the anticipated savings, therefore, did not materialize.

The fiscal year 1985 Defense Authorization Act (Public Law 98-525) codified a number of recurring appropriation general provisions including both the nonavailability statement requirement for individuals residing within catchment areas and the 75 percent threshold.

Because the exemption from the requirement for beneficiaries with comprehensive private insurance meeting the 75 percent threshold has not resulted in anticipated savings, the committee recommends striking the requirement that other insurance pay for at least 75 percent of the services and replacing it with a requirement that other insurance provide primary coverage for the services.

OTHER MEDICAL CARE ISSUES

Reserve medical manpower requirements

As a part of ongoing efforts to enhance medical readiness, the Department of Defense plans to restructure the active duty physician force to increase staffing in specialties with substantial wartime shortfalls. This is a laudable, but difficult, task that will entail major changes in the current operation of the military medical care system, including a reconfiguration of graduate medical education, the in-house residency programs used to provide physician specialty training.

Even with the restructuring of graduate medical education, increasing in-house expertise in wartime skills will not be easy to accomplish. Insufficient surgical workload exists within the peacetime beneficiary population to keep a large number of surgeons and support personnel gainfully employed even if all CHAMPUS surgical cases could be recaptured by military hospitals. For example, analysts at the Rand Corporation estimate that the Air Force needs about 1,150 surgeons to meet peacetime requirements; it would need almost twice as many (2,200) in wartime. The committee believes medical readiness would be better served by directing some portion of the increased surgical capability to the reserve components.

Over the past year, the Department of Defense has made considerable progress in implementing a medical manpower requirements determination process uniform across the services. Much remains to be done, however, to define the appropriate active-reserve mix for surgical and other wartime skills. The committee, therefore, directs the Secretary of Defense to submit to the Committees on Armed Services of the Senate and House of Representatives not later than January 31, 1987, a breakdown of the number of reserve medical personnel, on a specialty-specific basis, who are needed in units, the individual ready reserve, the standby reserve, and the retiree population to meet wartime medical requirements.

In the fiscal year 1986 Defense Authorization Act (Public Law 99-145), Congress established two new programs designed to attract health care professionals with critical wartime skills to serve in the reserve components. The committee believes that further incentives may be required and, therefore, directs the Secretary to include in his January 31, 1987, report an analysis of the impact of the new stipend and loan repayment programs, as well as his recommendations for any further legislative and administrative changes needed to existing programs, entitlements, and military personnel management statutes in order to have sufficient reservists and retirees available to meet wartime medical care needs.

CHAMPUS coverage of chemical aversion therapy demonstration project

In the report accompanying the fiscal year 1986 Defense authorization bill (H. Rept. 99-81), the committee expressed concern regarding the current policy of the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) which excludes chemical aversion therapy. Aversion therapy is covered by Medicare, however. Practices in private sector health plans shed little light on the issue, because the level of services covered varies substantially from plan to plan, depending on the specification of the plan sponsor.

The Director of the Office of the Civilian Health and Medical Program of the Uniformed Services convened conferences on alcoholism in 1979 and 1982 but concluded, despite the decision by Medicare to cover aversion therapy, that no clear-cut consensus existed on the issue. As a result, CHAMPUS denies coverage of aversion therapy based on the lack of independently conducted controlled studies that demonstrate the efficacy and safety of the drugs used.

The committee last year directed the Department of Defense to reexamine the issue, including convening another conference of experts on the issue. To date, the department has surveyed a variety of experts in the field of alcoholism and has requested that the National Center for Health Services Research and Health Care Technology Assessment conduct a formal assessment of chemical aversion therapy in the treatment of alcoholism, which the center has agreed to do.

The committee remains concerned about the destructive effect of chronic alcoholism, a life-threatening disease for many of its victims and believes that a wide spectrum of treatments, tailored to the unique requirements of each patient, should be available. Although conventional forms of treatment, like counseling, are effective in some cases, other modalities like aversion therapy may prove successful in others.

The committee, therefore, directs CHAMPUS to conduct a demonstration project on the use of aversion therapy in the treatment of alcoholism. The demonstration project should be structured to ensure the careful selection of patients. Appropriate candidates would be individuals deemed able to benefit from therapy who have failed on several previous occasions to respond to other treatments or who have suffered frequent recidivism. The demonstration project should further be structured to ensure the rapid availability of medical intervention in the event of unanticipated reaction to the treatment.

The committee directs the department to provide periodic reports on the design and conduct of the demonstration project, including the methodology to be utilized to compare the efficacy of aversion therapy with other forms of alcoholism treatment. The first report outlining the full details for conduct of the demonstration project should be provided to the Committees on Armed Services of the Senate and House of Representatives no later than October 1, 1986, with implementation of the demonstration project no later than February 1, 1987.

CHAMPUS coverage of marriage and family therapists demonstration project

Congress, effective in fiscal year 1982, eliminated the requirement under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) for physician referral and supervision of certified nurse practitioners (including certified psychiatric nurses) and certified clinical social workers. At the present time, the only mental health professional for which CHAMPUS requires physician referral and supervision is the marriage, family, or pastoral counselor.

The committee questions the need for physician involvement with this type of practitioner and would like to determine whether such services can be delivered in a more cost-effective manner without the intervention of a physician. As a result, the committee directs the Department of Defense to create a marital and family therapist participating provider demonstration project.

This demonstration project should be established within a geographical region administered by one of the CHAMPUS fiscal intermediaries and should include two types of marital and family therapist providers in the program. The first group should be state licensed or certified marital and family therapists. The second group should be providers in states that do not currently license or certify marital and family therapists. This group should, at a minimum, meet criteria established by nationally recognized credentialing organizations in the field of marital and family therapy, including completion of a master's or doctoral degree in marital and family therapy from regionally accredited educational institutions, or an equivalent course of study and degree, as prescribed under regulations issued by the Secretary of Defense.

Under the demonstration project, qualified providers participating in the project would be reimbursed directly by CHAMPUS as independent providers with no physician intervention or involvement, either by way of referral or supervision.

The committee is concerned that beneficiaries not incur added out-of-pocket costs because they seek or are provided care that is not part of the current CHAMPUS mental health benefits package. Therefore, as a condition of participation in the demonstration project, providers must agree in writing that they will not seek reimbursement from the beneficiary if their claim for service is denied by CHAMPUS.

The committee directs the department to provide periodic reports on the design and conduct of the demonstration project. The first report outlining the full details for conduct of the demonstration project should be provided to the Committees on Armed Services of the Senate and House of Representatives no later than October 1, 1986, with implementation of the demonstration project no later than December 1, 1986. An initial report on the results of the demonstration project should be submitted no later than March 30, 1987. The reports on the demonstration project should compare the number of beneficiaries, cost, and volume of services with a comparable prior period subject to existing CHAMPUS regulations.

In its final report, the department should provide an assessment of whether or not a participating provider requirement should be applied to other mental health providers.

Reimbursement for care provided in residential treatment centers

The committee is concerned about the impact on some beneficiaries of a recent change in the way the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) reimburses for professional psychotheraphy provided military dependents in residential treatment centers (RTCs).

By way of background, a residential treatment center is a facility (or distinct unit of a facility) organized and professionally staffed to provide residential treatment of mental disorders to children and adolescents who have sufficient intellectual potential to respond to psychiatric treatment.

Since 1974, CHAMPUS has been criticized for its management of RTCs, both from a quality assurance standpoint and for a lack of control over the rates charged by RTCs. Through the development of stringent participation standards and extensive peer review, the quality of care issues have been largely eliminated; unfortunately, the cost growth issue has not been resolved.

The overall cost of RTC care by more than 100 percent from fiscal year 1982 through fiscal year 1985 alone and individual RTC rates range from a low of $40 to a high of $500 per day, without any distinguishable difference in the quality of care provided.

The new reimbursement mechanism is designed to address the cost growth question. Following the recent trend in the private sector, the new system establishes prospective payments for RTC care, featuring a maximum all-inclusive per diem cap. Unlike the old system in which independent mental health practitioners sought reimbursement for their services through CHAMPUS, such mental health practitioners would now seek reimbursement from the RTCs, which would have been provided funds designed to cover all necessary and allowable expenses, including psychotherapy fees.

Although the committee recognizes that such a prospective reimbursement mechanism is likely to control cost growth, it is concerned that some critically ill children may not receive the frequency of treatment they need. For example, a severely disturbed child may require four psychotherapy sessions per week whereas a less disturbed child may only require one session per week. The committee would object strongly if the severely disturbed child were forced to give-up needed psychotherapy sessions because the RTC issued an across-the-board rule limiting the hours of psychotherapy for all patients regardless of circumstances.

In addition, the committee believes that some higher-priced mental health practitioners, in the future, may decide not to provide care to RTC children under the new reimbursement mechanism because the RTCs may not offer to reimburse them at the levels they have traditionally billed CHAMPUS. Additionally, RTCs could opt to utilize the services of less expensive practitioners, given their limited per diem allocations. Although the committee supports the provision of quality care at less cost, this situation could be devastating to some severely disturbed children who have established close relationships with their psychotherapists and whose treatment could be setback as a result of changing practitioners in mid-stream.

As an outgrowth of these concerns, the committee directs CHAMPUS to ensure that RTCs do not issue across-the-board limits on the amount of psychotherapy available to all patients; rather individual patient circumstances should be reviewed on a case-by-case basis to determine the amount of psychotherapy required. In addition, the committee directs CHAMPUS to ensure than no child receiving RTC care on July 1, 1986, is forced to change psychotherapists or to see their psychotherapist less frequently than that psychotherapist deems appropriate for the duration of the child's inpatient treatment because of the new reimbursement system.

The committee hopes that the latter objective can be accomplished within the parameters of the new reimbursement mechanism and that mental health practitioners will work with RTCs to ensure that emotionally disturbed children receive appropriate care at an affordable cost to the taxpayers. If, after good faith efforts, this objective can not be achieved within the parameters of the new reimbursement system, the committee directs CHAMPUS to provide separate reimbursement to independent mental health practitoners who, on July 1, 1986, were receiving separate reimbursement for the treatment of CHAMPUS children. Such separate reimbursement should be provided only for services rendered children who were receiving treatment on July 1, 1986 for the duration of their inpatient RTC stay.

Finally, the committee directs CHAMPUS to review an RTC reimbursement mechanism that would provide a capped level of reimbursement per patient to RTCs and a capped level per patient to individual mental health practitioners. CHAMPUS should evaluate such a proposal's impact on quality of care, cost and other relevant factors.

This report, together with accompanying data, should be provided to the Committees on Armed Services of the Senate and the House of Representatives no later than December 1, 1986.

Navy POW study

The committee commends the Naval Aerospace Medical Institute at Pensacola, Florida, for its follow-up study and care of Naval personnel who were prisoners of war in Vietnam.

The committee believes that the study may be very useful for determining the long-term consequences of the POW experience and for identifying specific problems affecting POWs from all the services. The committee urges the Navy to continue to provide adequate resources for the follow-up study and for the dissemination of results to appropriate officials, including the Congress, who are concerned about the care and treatment of former prisoners of war in Vietnam.

TITLE IX—PROCUREMENT REFORM AND OTHER PROCUREMENT POLICY MATTERS

OVERVIEW

Throughout 1985 "horror" stories on overpriced spare parts, weapons program deficiencies, and cost and schedule delays for major defense procurements, created a crisis of confidence on the part of the American public. The effectiveness of the Department of Defense and the military services to manage and maintain a credible military acquisition process became the focus of countless Defense Department and Administration investigations.

Additionally, this crisis in confidence in the military acquisition process generated considerable investigative and legislative activity on the part of Congress. Although specific legislative actions were taken to remedy particular aspects of the acquisition cycle, the cumulative effective was a regulatory environment that was confused, tentative and contradictory.

In response to these problems, a full committee panel on acquisition and procurement policy was appointed. The panel was established to examine the acquisition and procurement policies and practices of the Department of Defense and the military services and to review acquisition-related initiatives, to study alternatives and to work toward an integrated program for procurement reform.

The panel, in its hearings, sought to receive a variety of viewpoints and opinions. Witnesses from the Department of Defense, the Presidential's Blue Ribbon Commission on Defense Management (Packard Commission), the Military Reform Caucus, academia and industry were offered the opportunity to participate in the panel's hearings.

The panel concentrated its hearings on those acquisition issues that were likely to be discussed in conjunction with the consideration of the fiscal year 1987 Defense authorization bill, particularly the recommendations of the Packard Commission.

Among the specific issues the panel considered were the following:

(1) Policies governing the management and oversight of highly classified, special-access security programs;
(2) Baselining as a management tool for establishing greater stability in program management;
(3) Work measurement legislation adopted in 1985;
(4) Department of Defense internal management improvements;
(5) Streamlining and deregulation of certain acquisition activities;
(6) Department of Defense policies for forecasting inflation in major weapons procurement;
(7) Amendments to the Truth in Negotiations Act;
(8) Competition in the Department of Defense acquisition process; and
(9) Use of undefinitized or unpriced contractual actions.

Experts differed in their identifications of problems and analyses, as well as in their proposed solutions to those problems. On many issues, however, the committee agreed that legislative action was required. The committee has, therefore, adopted numerous initiatives that it believes will significantly improve the acquisition process in the Department of Defense.

Management of the Acquisition Process

SECTION 901—DUTIES OF UNDER SECRETARY OF DEFENSE (ACQUISITION)

The President's Blue Ribbon Commisson on Defense Management, the Packard Commission, recommended the establishment of a new Level II position within the Department of Defense to establish an Under Secretary of Defense for Acquisition.

The Military Retirement Reform Act of 1986 (Public Law 99-348) establishes the Level II position. Additional legislation is required to define the duties and responsibilities of the position. Section 901 would complete the process by defining these duties and responsibilities.

Consistent with section 901, the Committee believes the Under Secretary of Defense for Acquisition should have a strong managerial background in the private sector. Subject to the direction of the Secretary of Defense, the Under Secretary of Defense for Acquisition would be responsible for setting overall acquisition policy for the Department of Defense.

Further, the Under Secretary should supervise acquisition activities of the Department of Defense. In using the term "supervise", the committee wishes to make very clear its intentions.

In hearings before the committee, the Hon. David Packard, Chairman of the Presidential Commission, testified:

> I want to emphasize that all of our proposals are based on the management concept of a centralized policy control and decentralized acquisition. This includes the idea to create a strong full-time Under Secretary of Defense for Acquisition as a single centralized acquisition policy maker.

In supervising the acquisition process, the Under Secretary of Defense for Acquisition should focus attention on the implementation of over-all Department of Defense policy and not the specific day-to-day management of service programs.

With respect to audit functions, the supervision of the audit and oversight functions performed by the Defense Contract Audit Agency on the date of the enactment of this provision shall be carried out in the same manner as in effect on that date.

Finally, the provision would clarify the reporting chain of command for the Director of the Office of Test and Evaluation. Although some have suggested that the Director of the Office of Test and Evaluation should report to the Under Secretary of Defense for Acquisition, the legislation establishing the office of Test and Evaluation specifically provided for the independence of this Director. To maintain that independence, the provision would emphasize that the Director of the Office of Test and Evaluation should report directly and personally to the Secretary of Defense.

SECTION 902—STREAMLINING PROGRAM MANAGEMENT

The committee, in reviewing the management of highly classified, special access programs, concluded that greater accountability and responsiblity in the acquisition cycle is achieved when channels of communication are unambiguous and direct.

In its acquisition recommendations, the Presidential Commission on Defense Management proposed the establishment of program executive officers (PEO) within each service. These PEO's would be responsible for a reasonable and defined number of acquisition programs. Program managers for these programs would be responsible to their assigned PEO and would report only to the PEO on program matters.

Short and clear lines of authority would streamline the acquisition process.

Section 902 would require the Secretary of Defense to conduct, within each of the military services, a program to streamline the management acquisition structure by reducing the number of officials through whom a program manager reports.

The Secretary should require that each of the military services designate at least two programs, or to the maximum extent possible, the streamlining management program.

SECTION 903—MILESTONE AUTHORIZATION AND BASELINING

The committee recognizes that, to improve the major systems acquisition process, it must first ensure program funding stability. Without establishing a more stable funding profile for major programs, various management techniques to control cost and schedule perturbations will have only a limited affect.

For that reason the committee recommends a test program establishing a new framework for congressional consideration of major systems funding. Section 903 would establish a test of the new procedure, and would authorize the Department of Defense to submit three programs in each fiscal year to be considered under the new procedure.

The Department of Defense would also be required to create a program baseline for each major program describing the system performance, schedule for development, test and production, testing requirements, initial training and provisioning requirements, and cost. By baselining the program and establishing a cost ceiling, the committee believes that buy-ins would be discouraged and that gold-plating and unnecessary changes would be minimized.

Congress would use this baseline, in the case of the three programs to be considered under the new test, to determine whether to authorize funds for that program for the entire program phase (full-scale engineering development or full-rate production). The programs would not be subject to the year-to-year funding fluctuations that have characterized the process in the past. In addition, the procedure requires both the Department of Defense and Congress to analyze the impact of future year budgets of current decisions to fund programs at specified levels.

As long as the program stays within the schedule, cost and performance parameters established in the baseline, Congress would not review the program. Congress would maintain control over the program because the Defense Department's authority to obligate funds on the program would be suspended if the program were to breach the established performance, schedule or cost thresholds.

SECTION 904—COMPARABLE BUDGETING FOR SIMILAR SYSTEMS

In reviewing specific common weapon systems procurements, the committee found a wide discrepancy among the services in the budgeted unit costs of certain common items including the 9 mm handgun, the M16 rifle, and the Stinger missile.

Section 904 would require the military services to identify common weapon systems procurements. Further, the Secretary of Defense is directed to take all feasible steps to minimize variations in procurement unit costs for any such system in the different military departments.

Where variations in procurement unit costs for common procurement systems exist, section 904 would require the Secretary of Defense to explain and justify any such variation.

SECTION 905—PREFERENCE FOR NONDEVELOPMENTAL PRODUCTS

The Department of Defense continues to rely on the use of detailed design specifications to obtain needed products instead of stating its needs in terms of broad functional requirements. The use of detailed specifications constrains an offeror in proposing the best product or service to meet the agency's needs. It also often precludes potential contractors from offering standard commercial products that would satisfy the government's needs but do not meet the government's detailed specifications.

Although Congress, as part of the Competition in Contracting Act, directed that procurement policies and procedures should "promote the use of commercial products whenever practicable," (section 2301(b)(6) of title 10, United States Code), the Department of Defense has made little progress in this area.

In order to encourage the Department of Defense more forcefully to take advantage of products in the commercial marketplace, additional statutory direction must be given. Section 905 would add a new section to chapter 137 of title 10, United States Code, that would establish a preference for the acquisition of nondevelopmental items. This new section would require the Department of Defense, to the maximum practicable extent, to state its requirements using the broadest functional description and in such a manner that nondevelopmental items may be offered to fulfill those needs.

Greater reliance on the commercial marketplace was one of the primary recommendations of the President's Blue Ribbon Commission on Defense Management (Packard Commission). Under Secretary of Defense for Research and Engineering Hicks has also requested that the Defense Science Board conduct a study to provide recommendations on how the Defense Department might increase its use of nondevelopmental (including commercial) items. Recognizing that the Defense Science Board recommendations for implementing changes in Department of Defense acquisition practices to effect use of this preference will not be available for several months, the committee does not recommend a detailed course of action. Instead, section 905 would direct the Secretary of Defense to issue new regulations to implement the policy established by Congress. The Department of Defense would be given the latitude to fashion the best program to implement this requirement.

The committee would like to see a program established that would result in achieving the desired goal with the least amount of administrative effort. The committee does not envision and need for new paperwork or review requirements. It does recommend, however, an intensive training program to educate procurement personnel implementing this policy. To ensure that an effective program is adopted, the General Accounting Office is directed to review the department's implementation of this policy and report to Congress.

In addition to the use of specifications that may be too restrictive and which often preclude acceptance of commercial products, the committee is also concerned that many laws and regulations inhibit commercial vendors selling to the government or require Department of Defense contractors to adopt practices that are antiethical to standard commercial practices. Accordingly, section 905 would also require the Secretary of Defense to identify impediments to the Defense Department's acquisition of nondevelopmental items, to remove those impediments within his jurisdiction, and to recommend to Congress any legislative changes he deems necessary.

SECTION 906—REPORT ON OPPORTUNITIES FOR ADVANCEMENT FOR PROGRAM MANAGERS AND OTHER ACQUISITION PERSONNEL

The committee has over the past two years recommended several provisions which have been enacted to require or encourage enhancement of the career opportunities for procurement personnel. Section 906 would require the Secretary of Defense to submit a report describing methods to enhance career opportunities for acquisition personnel.

AMENDMENT TO EXISTING LAW

SECTION 911—SMALL BUSINESS SET-ASIDES

The Small Business Act requires that a fair proportion of the total purchases and contracts for property and services needed by the Federal government be placed with small business concerns. One procedure for accomplishing this objective is the small business set-aside program. Under this procurement method competition is restricted to small businesses only.

Although the set-aside program remains vital to the legitimate interests of small business, the set-aside program is the target of steadily increasing criticism. In order to meet small business goals, agencies have used the set-aside authority to award virtually all of its contracts in certain industry categories in which there are small business producers capable of performing a dominant share of the work. For example, in fiscal year 1985, small business set-asides accounted for 77 percent of all military purchases of clothing and individual equipment. No present statutory provision exists that requires that small business receive a fair share of *each* industrial category of purchases. Accordingly, in order to achieve goals, lagging small business performance in areas such as spare parts and electronic manufacturing are compensated for by allowing small buinsess to dominate other markets where they are capable of doing so. This problem has been particularly acute in several industry categories, including architect and engineering services, textiles, shipbuilding, ship repair, surveying and mapping and dredging. Moreover, the Small Business Administration (SBA) encourages this situation by keeping small business size standards artificially high in those markets in an effort achieve small business contracting goals.

When small business set-asides are used for the award of a preponderance of contracts in an industry category, the following undesirable conditions can materialize:

1. Small businesses (below the SBA size standard) have a disincentive to achieve economics of scale, or to make the capital investment needed to grow and modernize plant and equipment. In such a market, a decision to grow past the size standard is, in effect, a decision to abandon the Federal market since there are relatively few contracts open to unrestricted competition;
2. Businesses above the size standard are precluded from the Federal market regardless of price competitiveness or technical capability;

3. The "smaller" small businesses, as well as new market entrants, are not afforded the benefits of set-asides since the "larger" small business can dominate the set-aside market. This is especially true in those industrial areas that have relatively high entrance barriers, and results in denying the Government an intended benefit of the set-aside program—the encouragement of new market entrants.

4. Small business in such markets have a *de facto* incentive to "game" size standards by spinning off affiliated firms and engaging in other practices commonly characterized as "fronting or brokering". Unfortunately, the fact that there is no market beyond set-asides encourages such unscrupulous practices.

Another problem with the set-aside program is SBA's failure to require that the prime contractor, under a set-aside contract, perform a specific proportion of the work in-house, with its own personnel. Although SBA presently reviews subcontracting issues on a contract-by-contract basis, if a protest is filed, it does so solely to determine whether there is excessive subcontracting that in effect establishes a joint venture between the prime and the subcontractor. The failure to establish specific percent limitations on subcontracting causes great confusion in terms of attempts to resolve the question of excessive subcontractng through an analysis of whether a joint venture exists. For example, decisions by SBA have found joint ventures to exist based on the following percentage of work by one subcontractor: 94 percent, 90 percent, 75 percent, 54 percent and 37 percent. Clearly the business community should not be required to hazard a guess as to the response of the government to a particular subcontracting arrangement. Although SBA must continue to address the issue of joint ventures to ensure that size standards have not been exceeded, the issue will be much easier to resolve having established specific subcontracting limitations.

Of more import, however, is the government's vested interest in expanding the industrial base by increasing competitin at the prime contract level. That interest is thwarted when set-aside awardees are permitted to function effectively as brokers by dispersing substantial portions of work—in clear excess of normal industry practices—to a host of subcontractors. If such subcontracting is taking place, it can be presumed that the government is paying a premium for the work and that its goal of increasing the industrial base through increased small business participation has been left unrealized.

The amendment would specifically exclude from the calculation of the cost of manufacturing the cost of materials incorporated in the final product or utilized to produce the item. In doing so the committee notes that in many cases the cost of raw materials or components not produced by the small businesses awardee may well exceed 50 percent of the cost of manufacturing the product. The committee also recognizes that in many industries, such as ship repair, the cost to acquire the necessary equipment to perform the contract may well exceed 50 percent of the cost of performing under the contract.

In addition, the committee acknowledges that, for purposes of efficiency, productivity or specialization, individual companies may rely as a rule on subcontracting, such as in the construction and textile industries. For this reason, the Administrator of SBA would be authorized to alter the 50-percent rule to reflect typical industry practice. The amendment would establish a preference for a minimum 50-percent threshold, while providing the authority for SBA to establish a different threshold should circumstances warrant deviating from that rule, as long as such a change is consistent with the intent of this section.

Two other issues concerning set-asides are the establishment of an acceptable price for products and services awarded under a set-aside contract and the disclosure of information to the public concerning the decision to make a set-aside in the first instance.

Under current regulation, a contracting officer may only accept a set-aside offer if the price is "reasonable". That term is not defined with any specificity and, accordingly, is subject to varying interpretations. A more precise definition is clearly warranted in order to ensure some uniformity by acquisition personnel when assessing the acceptability of a set-aside offer.

Finally, a contracting officer's decision to set-aside a contract is predicated, in part, on an assessment of the capability of small businesses to perform the requirement. The identification of those businesses to the public would allow the business community to "self-police" the program. If such information is made available on a timely basis, challenges to firms misrepresenting their size and faulty decisions by contracting officers can be resolved within a reasonable timeframe. The committee recognizes that decisions to set-aside are often made on the basis of previous small business participation. In those cases the agency should provide the names and addresses of previous small business offerors.

Working with the Committee on Small Business, the committee has drafted an amendment to the Small Business Act that it believes addresses these problems. Section 911 would require agencies to ensure that a fair proportion of contracts per industry category, rather than overall agency contracts, be awarded to small businesses. Also, in order to be eligible for a contract under a set-aside or the 8(a) program, the contractor itself must agree to perform at least 50 percent of the work under the contract. Exceptions would be authorized when warranted to reflect industry practice.

In addition, the Small Business Administration would be directed to reduce the size standard for any industry if over the past three years more than 30 percent of the dollar amount of all contracts in that industry category were awarded under a set-aside. The cost of a set-aside contract to the awarding agency would not be allowed to exceed a "fair market price", a term which is already defined in the Federal Acquisition Regulations. Finally, the public would be provided timely information regarding the decision to set-aside a contract.

The committee recognizes that these changes will result in a reduction in the number of set-aside contract awards in those markets where set-asides represent a significant portion of the awards made by an agency. It believes, however, that these changes will benefit the truly small companies and help to expand set-asides in those markets where small business participation rates are low. The committee strongly recommends that all Federal agencies increase their efforts to ensure that small business receive a fair share of Federal contracts in each industry category. Allowing the agencies to satisfy small business contract award goals through set-aside of a predominant number of contracts in virtually a handful of industries has diverted attention from other industry segments in which little progress has been made. For example, small businesses continue to receive a disproportionately small share of contracts from the Defense Department for spare parts. In this regard, the committee also believes insufficient knowledge of the various market participants exists to judge whether small businesses capable of providing needed goods and services exist and have been denied a fair opportunity to receive Federal Government contracts. The committee strongly urges further emphasis and market research to assess the capabilities of small businesses to perform in industry sectors not traditionally dominated by small business and specific efforts to encourage such participation when appropriate. Reports on these efforts are to be periodically provided to appropriate committees of the Congress for their review. The amendments would further the purposes of the Small Business Act by increasing competition and by ensuring that the program benefits small business bidding as prime contractors on Federal Government contracts.

The committee also recognizes that, as a result of requiring a reduction of the size standards in industry categories where more than 30 percent of the contract dollars were awarded under set-aside, businesses in those industry categories that may have been catergorized as small would no longer be eligible for small business set-asides. However, the clear intent of this legislation is to guarantee that the predominant portion of contract dollars is awarded under circumstances in which all business, large, medium or small, are allowed to complete. The committee believes that the recommended formula for achieving the result is more equitable than establishing, for instance, a strict cap on the percentage of dollars that can be awarded pursuant to a set-aside. The recommended provision allows the SBA flexibility to evaluate the existing size standards and craft size standards consistent with the objectives of the Act. The committee has been advised that, in some industries such as the military boot manufacturing industry, only four manufacturers exist, all of whom are classified as small businesses. An inappropriate reduction in the size could result in two or three companies being classified as small, leaving the one or two companies not deemed small at a significant disadvantage in bidding for those contracts. In circumstances such as those, the size standard should be reduced to a sufficient degree that all potential offerors with similar capabilities are treated similarly.

Finally, the committee was advised of at least one instance in which a "shell" company was created to enable a company to bid under a small business set-aside. Because the company was newly formed and had no history on which to establish gross receipts, etc., it was deemed eligible to bid and awarded the contract. The company then hired all the employees of the previous contract holder. This type of abuse of the set-aside program is clearly unwarranted and should be addressed by the Small Business Administration.

SECTION 912—TRUTH IN NEGOTIATIONS ACT AMENDMENTS

Since the enactment of the Truth in Negotiations Act (TINA) (section 2306(f) of title 10, United States Code), litigation has been pursued in an effort to resolve issues not clearly addressed in the legisation. The committee is concerned existing law does not adequately protect the government's interests. Existing law has been interpreted to require that, in order to recover under TINA, the contractors' failure to disclose must have resulted in the government's being misled into agreeing to a price greater than it would have agreed to had the correct information been provided. Accordingly, if a contractor proves that the government did not rely on the cost and pricing data submitted by the contractor or that, even if it had known the correct information, the government would not have been able to negotiate a better price, the government could not recover.

In attempting to establish a defense to a charge of defective pricing, contractors have argued that the government would not have received a better price, even if accurate, complete and current cost or pricing data had been provided because: the contractor or subcontractor was the sole source of the property or services or was otherwise in a superior bargaining position; the contracting officer should have known the data was defective; the contract price was not determined on the basis of agreement on individual item costs; or the prime contractor or subcontractor did not submit the required certification.

The committee believes that these arguments, which relate to both the issue of whether the government was misled, and having been misled the government agreed to a price higher than it would have had it been provided complete accurate and current cost and pricing data, should not be considered as a defense to a charge of defective pricing. Section 912 would preclude consideration of such a defense. The section is limited in nature, however, and is not intended as an indication that the committee believed that the government should be allowed to recover under TINA under any circumstances, despite proof that the government was not misled into agreeing to a price that would have been different had the cost or pricing data provided it not been defective.

Currently, once the government has established that cost or pricing data provided it were defective, the courts and Board of Contract Appeals have shifted the burden of proving that the defective data did not cause the government to agree to a price different than it would have agreed to had it had accurate, complete and current data to the defendants. It is presumed that the government relied on all data submitted, and such reliance caused it to agree to a price greater than it would have had the data not been defective. The contractor may offer as a defense that the government did not rely, to its detriment, on that data. The committee sanctions that approach and recommends that TINA be clarified to recognize that it is a defense to a charge of defective pricing that the government did not rely upon the defective data, except as provided in subsection 912(4)(B).

Section 912 would also define the term "cost or pricing" data to exclude information that is judgmental in nature, such as estimates of future productivity. The committee believes the purpose of TINA is to make available to the government all information of a factual nature that a prudent buyer or seller would reasonably expect to affect price negotiations. If information of a verifiable nature, that would reasonably be expected to affect price negotiations, is not provided the government, the contractor has not fulfilled the requirements of this section.

While not limited to historical data, the committee believes that the obligation to provide accurate, complete and current data extends only to verifiable factual information. Thus company management decisions to reduce an offered price for reasons unrelated to verifiable facts should not be considered subject to TINA, because the pricing decision is judgmental in nature and not based on verifiable facts. For example, a company may provide cost or pricing data that, based on historical costs, supports an item price of $100,000. In a particular year, however, the company may hope to achieve a 10-percent increase in efficiency in its manufacturing processes, and so may submit a final price of $95,000 (reflecting a 10-percent reduction in its historical manufacturing costs). The estimate of a 10-percent increase in efficiency and resulting $5,000 reduction in price is not information subject to verification and should not be considered cost and pricing data. An estimate of improved efficiency is a management judgment made by the contractor and the type of judgment made by both parties in agreeing on a contract price. Similarly, an across-the-board 10-percent reduction in price over a previous year's price because of new competition for the sale should not be considered cost or pricing data. Such data should, therefore, not be considered for purposes of determining whether defective pricing occurred or for purposes of determining whether a contractor may be entitled to an offset against an amount to be recovered for defective pricing. On the other hand, if the company has received a new piece of equipment with it hopes will produce a 10-percent increase in efficiency, the existence of the equipment and any data relating to its abilities is verifiable and therefore must be disclosed to the goverment.

The section would also address the issue of contractor offsets directly—recognizing for the first time in statute a contractor's right to offset, against an amount that the government is entitled to recover, an amount that reflects cost or pricing data not revealed to the government that would have resulted in an increase in the agreed-to price. This provision parallels that which authorizes the government to recover when the failure to provide accurate, complete and current data resulted in an increase in price. As in the case of a recovery by the government, proof that information available to the contractor prior to the agreement on price establishes the right to recover that amount. The entitlement to recovery may be rebutted through proof by the government that, even if the required data had been provided, the government would not have agreed to a price increase.

Finally, the section would restructure the existing Truth in Negotiations Act language to clarify its application.

In reviewing the Act, the committee discussed whether the threshold for application of the requirement to certify that data was accurate, complete and current should be reduced to $100,000 as it has been in 1981. The committee agreed to an increase in the threshold in Public Law 98-525 based on statements by the Defense Department that, although the certification would be required for contracts between $100,000 and $500,000, the Defense Department would not routinely require pre-award audits before awarding contracts between that amount. The committee is concerned that audits prior to award are being routinely requested, even when not necessary to ensure the reasonableness of the contractor's price. The committee believes this contributes to the lengthening of the acquisiton lead time and recommends a reevaluation of the guidance provided Defense Department personnel on use of pre-award audits. Furthermore, the Defense Department is directed to report to the committee on the impact and cost effectiveness of making contracts between $100,000 to $500,000 subject to this Act.

SECTION 913—RIGHTS IN TECHNICAL DATA

Sections 2320 and 2321, Title 10, United States Code, added as part of the Defense Procurement Reform Act, Title XII of the fiscal year 1985 Defense Authorization Act (Public Law 98-525), establish the parameters for Department of Defense regulations on the right to use technical data provided the government by its contractors. The committee is concerned that the Department of Defense, in its regulations and in certain acquisitions, has upset the delicate balancing of interests between the government's need to acquire the right to release technical data to ensure competition and the contractor's interest in preserving valuable property rights in data on products that they develop at their own expense. The committee is also aware of the continuing need fo the Department of Defense to maintain its access to advanced technologies developed at private expense.

Although Congress has mandated increased competition in the Defense Department's acquisition of goods and services, the committee believes many alternatives exist to achieve that goal, and do so more effectively, without coercing contractors and subcontractors into relinquishing legitimate rights in technical data. For example, greater use of licensing arrangements, agreements to require a contractor to maintain and update technical data, and the government's use of data to evaluate the acceptability of a potential offeror's product could result in a much fairer accommodation of the interests of all parties.

The committee is also concerned that the proposed Defense Department regulations published by the Department of Defense for public comment September 10, 1985 defines the term "developed" in an excessively stringent manner by requiring an "actual reduction to practice"—a term of art used to establish eligibility for a patent. The Committee believes that, for purposes of determining whether an item has been developed at private expense, an item or process should generally be considered "developed" if the item or process exists and reasonable persons skilled in the applicable art would conclude that the item will work as intended with a high probability. The committee recognizes that circumstances may exist under which such a definition would not be appropriate, for instance, in the area of basic research.

Due to the need to craft a definition that may be different, depending on the type of data involved, and the divergent views of experts on this subject, as well as the absence of hearings on this specific issue, the committee believes that to define the term legislatively would be unappropriate. Instead, the committee has directed the Secretary of Defense to craft the specific limitations of the term. For similar reasons the committee has directed the Secretary to determine through regulations what constitutes "private expense."

In addition, the committee believes that challenges to restrictions on the release of data should be made promptly and only when a restriction is believed to be inappropriate. To expect a contractor to maintain indefinitely detailed accounting records that would be necessary to prove that a contractor paid for development of an item is unreasonable.

Section 913 would amend section 2320 of title 10 to clarify that, if the item to which the technical data relates was developed at private expense, the contractor retains the unlimited rights in data and cannot be required, as a condition of bidding on a government contract, to give the government the right to release to other contractors technical data relating to items the contractor developed at its own expense. For those items developed at government expense, the government has unlimited rights in the technical data. With respect to items developed with a mixture of government and contractor money, the committee believes that the government's rights to use, release or disclose technical data must be established in the contract for delivery of the item to which the data relates or as soon thereafter as practicable. The determination of such rights should be based on consideration of pertinent factors such as the government's need to retain the right to use, release or disclose the data in order to compete future requirements, and the contractor's interest in retaining rights in data relating to innovative products or processes, including those related to items for sale to the general public.

Section 913 relates to ascertainment of the rights to use, release or disclose data and is not intended as direction to the Defense Department on the issue of whether technical data must be delivered. For example, there are many circumstances exist in which the government does not need to acquire technical data. Nor is this section intended to preclude the government and its contractors from agreeing to alter the rights accorded either party under this section. For example, the government may agree to give a contractor a license to use data developed at government expense provided the government retains the right to use, release, or disclose the data for government purposes, including competitive acquisition; or the government may negotiate for the right to use, release or disclose data developed at private expense.

Section 913 would also amend section 2321(a)(2) of title 10: (1) to prohibit the government from challenging a contractor's restriction on the release of technical data at any time after the three-year period after final payment under the contract or delivery of the data, whichever is later; (2) to require the government to state the specific grounds for challenging an asserted restriction; and (3) to allow the contractor to assert in response to a challenge that the

Defense Department has reviewed the same data within the last three years and found the contractor's restriction appropriate.

SECTION 914—PRICES FOR PRODUCTS SOLD COMMERCIALLY

A provision of the Defense Procurement Improvement Act (Public Law 99-145) which requires the government to purchase at the lowest commercial price, has resulted in significant problems for companies desiring to provide commercial products to the government. Industry has objected to the standards utilized by the Department of Defense in establishing the contractors' commercial price. In addition, contractors are seriously concerned about maintaining the confidentiality of data relating to the pricing of products sold in the commercial market.

After consideration of these objections and review of the policy behind adoption of the provision, the committee recommends a provision (sec. 914) that would specifically exclude the following considerations when determining the company's lowest commercial price: (1) sales to the Federal government; (2) intracompany sales or transfers; (3) sales to dealers, distributors, or original equipment manufacturers, unless the government can demonstrate that the sale is under the same terms and conditions as a sale to a dealer, distributor or original equipment manufacturer; (4) sales to foreign purchasers; and (5) sales to educational institutions for educational purposes. This change would ensure that the government is offered a product at a price equal to or better than the company's lowest "market determined" price.

The provision would also clarify that the data underlying the prices of products sold commercially are not subject to disclosure under the audit rights available to government agencies. Such pricing data is highly sensitive and includes financial information that the government does not need in order to enforce the law.

Finally, the committee wishes to clarify that this section is not intended to be applied to contracts or orders under the multiple award schedule programs administered by the General Services Administration and the Veterans Administration. In this regard the committee recognizes the unique nature and the special procurement procedures utilized in establishing the multiple award schedule.

SECTION 915—FUNDING OF PROCUREMENT TECHNICAL ASSISTANCE PROGRAMS SERVING DISTRESSED AREAS

In the fiscal year 1986 Department of Defense authorization act (Public Law 99-145) Congress authorized the Department of Defense to pay up to 75 percent of a procurement technical assistance center's costs if the center was in a distressed area and was sponsored by a local government. The committee believes that any center which serves a distressed area should be entitled to the higher funding amount.

The committee recommends that the Department of Defense be authorized to pay up to 75 percent of the cost of running an outreach center sponsored by any state, local government or private, nonprofit organization, if the center *serves* an area with an unemployment rate one percent higher than the national average.

SECTION 916—EDUCATIONAL REQUIREMENTS FOR ACQUISITION PERSONNEL

Section 916 would amend a requirement of Public Law 99-145 which requires that personnel to be appointed as program managers have attended a program management course at the Defense Systems Management College or a comparable course at another institution. It would clarify that Congress required not just attendance at such a course, but actual completion of the course.

MISCELLANEOUS

SECTION 921—SAFEGUARDING OF MILITARY WHISTLEBLOWERS

Section 921 would protect military whistleblowers from reprisals in two ways. The first would be to restore victims of retaliation to their rightful positions and entitlements; the second would be to deter retaliators with a credible threat of punishment.

The committee recognizes the adequacy of existing military mechanisms for the redress of grievances and the availability of those mechanisms to all military personnel. The committee believes, however, that the argument for a tailored system of protections for whistleblowers makes sense. Complaints of retaliation for whistleblowing should receive special scrutiny, especially when the whistleblowing is to Congress.

Some past efforts to tailor a system specifically to protect whistleblowers have invested too much in form and too little in substance. The committee has endeavored to develop an approach that would give whistleblowers what they need to secure their remedies, not just what they need to ask for them. The provision recommended by the committee would *require* an inspector general investigation of *any* complaint of reprisal. Such investigations would be automatic, triggered on the strength of the complaint alone—in keeping with congressional concern over even so much as a hint of reprisal. The provision would also ensure that the disclosure for which a whistleblower suffers retaliation is investigated.

The change proposed by the committee would pursue the overall objective of fostering vigilance and attentiveness against fraud, waste, and abuse by capturing and preserving the evidence that could tell whether the complainant were a member of the protected class—a whistleblower—and whether his membership in that class resulted in an action detrimental to him—a prohibited reprisal. Corrective action could be based on the inspector's general's report of investigation.

The committee would not alter the language of exception in the current section 1034 of title 10, United States Code, which should continue to be construed narrowly. The fullest range of communication, particularly with respect to malfeasance and illegality, should be protected. Concomitantly, all communications intended for the consideration of Congress, whether uttered to an individual member, to a committee, or to an employee of a member or committee, should be seen as embraced by the statutory protection.

The provision recommended by the committee would deem as a prohibited reprisal any personnel action to the detriment of a member of the armed forces—for example a demotion, or a reprimand, or even an "undesirable" duty assistance—that would not have been taken in the absence of a whistleblower's protected disclosure. The description of protected disclosures is modeled after the civil service standard in section 2302(b)(8) of title 5, United States Code. Interpretations of the existing civil service standard should provide persuasive guidance for interpreting the military provision, with due regard for the unique characteristics of military service and the jurisprudence of the current section 1034 of title 10, United States Code.

The provision recommended by the committee would permit boards for correction of military records to employ in whistleblower cases devices of discovery and rebuttal that would ordinarily be associated with an adversarial process. The mention of such options for correction boards in whistleblower cases should not be taken as altering their normal functioning.

SECTION 922—PROTECTION OF CONTRACTOR EMPLOYEES FROM REPRISAL FOR DISCLOSURE OF CERTAIN INFORMATION

Section 922 would protect employees of defense contractors from reprisals for going to appropriate government officials with information of wrongdoing. The committee recognizes that employees of defense contractors are frequently the first to know about illegal contract padding or hidden defects in weapon systems. These employees should not lose their jobs or suffer other reprisals because they do their patriotic duty in reporting wrongdoing to appropriate government officials.

Subsection (a)(1) of the proposed new section 2408 of title 10, United States Code, would define "reprisal" the same way that term would be defined under section 921 of this bill (relating to military personnel) and under section 2302 of title 5, United States Code (relating to Federal civil servants). Subsection (a)(2) would define "appropriate Government official" to include those officers and employees who would be likely recipients of legitimate disclosures of wrongdoing.

Subsection (b) of the new section 2408 would provide procedures for the protection of contractor whistleblowers. An individual who feels himself or herself to be the victim of a reprisal would be authorized to file a complaint with the Secretary of Defense. The Secretary would conduct an investigation. If the Secretary were to find a reasonable likelihood that a reprisal occurred, he would provide the contractor an opportunity to show cause why correct action for the victim and monetary penalties against the contractor should not be imposed. The Secretary's decision, which would be expected within 45 days of receipt of the complaint, would be subject to judicial review under the same provisions that which apply to any final agency action.

The Secretary of Defense is instructed to issue regulations for implementation of the new section 2408. These regulations must provide that a contractor who negotiates a defense contract or bids for a defense contract subjects itself to the jurisdication of the Secretary of Defense for purposes of whistleblower protection.

SECTION 923—COST AND PRICE MANAGEMENT

In the fiscal year 1986 Defense Authorization Act (Public Law 99-145), Congress adopted a provision (sec. 917) designed to require contractors to provide to the government data on contractor labor, material and other production costs. Since passage, considerable controversy has arisen about whether the current law requires contractors to provide data they do not otherwise collect, or to alter the format of data maintained.

Extensive efforts to craft a compromise with the sponsors of the amendment to clarify the statutory language so that the language clearly did not mandate or authorize the collection of new information or require contractors to change the format of information collected have failed.

Accordingly, the committee recommends repeal of the existing provision.

SECTION 924—FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS

The mission to be performed by an FFRDC is to be stated in the and is limited by an Office of Management and Budget policy circular. The committee has been advised, however, of circumstances in which the government has tasked a Federally Funded Research and Development Center (FFRDC) to do work that is not within the scope of the FFRDC's mission and could have been performed by a number of private sector sources. In addition, there has been continual growth in the amount of work performed by FFRDCs, with little oversight as to the propriety of having the various efforts performed by an FFRDC.

Accordingly, section 924 would require an extensive report by the General Accounting Office on the role of FFRDCs and on other aspects of their development. In addition, the provision would prohibit creation of new FFRDCs, unless the agency had provided a report on the FFRDC's planned purpose and mission to Congress at least 60 days prior to its creation and would prohibit an agency from giving work to an FFRDC that is outside the scope of the FFRDC's stated mission.

OTHER ISSUES

DISBURSEMENT RATES

The committee is concerned that a perception exists within the Department of Defense that funds must be disbursed as quickly as possible in the year authorized and appropriated so that Congress will approve funds for the next fiscal year, even though many of the funds are authorized to be expended over two or three years. For example, RDT&E funds are two-year funds and procurement funds are three-year funds. As result, policies and procedures are established by the Department of Defense and the military services that actually result in inefficient use of funds and manpower.

The committee has been advised of at least one major command that established a goal of 65-percent disbursement of all authorized funds by the end of the fiscal year in which they were available.

Funds not under contract by the end of the second quarter of the fiscal year were withdrawn and diverted to areas in which disbursements could be made by year end. This resulted in disrupted program schedules and contracting processes on those programs for which funds were withdrawn. The committee believes that such pressures result in many cases in false economies and do not result in the most effective use of authorized funds.

PROMPT PAYMENT

The committee notes that Congress has enacted legsilation, Public Law 98-577 (section 402), which requires that prime contractors establish procedures to ensure the timely payment of their subcontractors. The FAR has been amended to include the new language. However, the Department of Defense has not promulgated regulations to implement fully this new provision, and the committee is aware of continued instances in which subcontractors have not been paid in a timely manner. The committee, therefore directs the Department of Defense to promulgate immediately regulations to implement section 402.

ACQUISITION OF QUALITY GOODS AND SERVICES

The committee is concerned that insufficient attention has been focused on the quality of goods and professional services being acquired by the Federal government. Little distinction has been made, as well, in much of the recent procuremnt legislation, between the acquisition of property or supplies versus services. In particular, the Competition in Contracting Act is silent in many of its provisions as they relate to services. The committee believes that, in awarding a contract for services, the Department of Defense should consider the technical and management capability, as well as prior experience to the offeror. In addition, a contractor's performance on previous contracts should be considered in determining which contractor should receive an award to provide goods or services. The committee recommends, therefore, that current regulations of the Department of defense be amended to ensure that approprate attention is focused on the quality of goods or services to be provided, as well as the prior experience of the contractor.

TITLE X—GENERAL PROVISIONS

LEGISLATIVE PROVISIONS

PART A—FINANCIAL MATTERS

SECTION 1001—TRANSFER AUTHORITY

Section 1001 would permit the transfer of an authorization made available in the fiscal year 1987 Defense Authorization Act to any other authorization made available in the Act upon determination by the Secretary of Defense that such a transfer would be in the national interest. The provision would provide the authorization for reprogrammings involving the transfer of authorization between authorizations as set out in bill language. The authority to transfer could only be used to provide authorization for higher priority items than the items from which authorization was transferred and could not be used to provide authorization for an item that was denied authorization by the Congress. The Secretary of Defense would be required to promptly notify the Congress of transfers. The total amount of transfers would be limited to $2 billion.

Section 1001 would also provide that a transfer made pursuant to the section would transfer the obligation limitation associated with the authorization.

SECTION 1002—LIMITATION ON OBLIGATION OF UNAUTHORIZED DEFENSE APPROPRIATIONS

Section 1002 would establish restrictions on the authority of the Department of Defense to use appropriations to enter into obligations. In summary, a defense appropriation would not be available for obligation unless such obligations were authorized by law. The section would also restate the requirement for authorization of defense appropriations presently contained in section 138(a) of title 10, United States Code to make clear that the requirement for authorization of defense appropriations is separate and distinct from the requirement for authorization to obligate defense appropriations.

Section 1002 would create a new chapter 9 within subtitle A of title 10, United States Code and would include new sections, 211 through 217, which are discussed below.

Section 211 would define an unauthorized defense appropriation as an appropriation made without having been authorized by law as required under section 138(a) of title 10, United States Code and provide that an unauthorized defense appropriation may be obligated only to the extent that the obligation of such appropriation is specifically authorized by law after the enactment of such appropriation.

Section 212 would provide that, in determining the amount of a defense appropriation that is available for obligation, amounts of appropriations provided for the Department of Defense be reduced by the amount of any appropriations made for unauthorized programs projects, or activities. The Secretary of Defense would be required to make such determination on a one time basis immediately upon enactment of an appropriation (or the enactment of an authorization if later). The Comptroller General would be required to review and report to the Congress on the determination of the Secretary of Defense.

Section 213 would provide a contingent authorization for appropriations for civilian pay, operation and maintenance activities, and continuing research, development, test, and evaluation activities to preclude a lapse in operations in the event that an annual authorization is not enacted by the first day of the fiscal year. The amount of the contingent authorization would be limited to the lesser of:

1. the amount appropriated;
2. the amount appropriated for the previous fiscal year; or

3. the amount requested is the President's budget for the fiscal year.

Section 214 would provide that the authority to obligate permanent appropriations and trust funds is not affected by the present legislation.

Section 215 would provide that the Impoundment Control Act of 1974 does not apply to unauthorized defense appropriations. The inclusion of this provision would make clear that the requirement for authorization supersedes the requirement under the Budget Act that appropriated funds be promptly obligated unless a deferral or rescission message is transmitted.

Section 216 would provide that nothing in the chapter shall be considered to affect application of section 502 of the National Security Act of 1947 (50 U.S.C. App. 413).

Section 217 would provide a rule of construction that the requirement for authorization would not be superseded unless a subsequent provision does so by specifically referring to section 217 and stating that the provision supersedes the chapter.

Section 218 would define a defense appropriation as an amount appropriated or otherwise made available by Congress in an appropriation law for one of the following purposes:

(1) Procurement;

(2) Research, development, test, or evaluation (or acquisition or production related thereto);

(3) Operation and maintenance;

(4) A working-capital fund established under section 2208 of title 10, United States Code; and

(5) Military construction.

SECTION 1003—DEBT COLLECTION

Section 1003 would direct the Secretary of Defense to take certain actions to recover debts owed to the U.S. government arising out of activities related to the Department of Defense.

Subsection (a) would direct the Secretary to enter into contracts with debt collection agencies in order to recover debts due to the United States. Such contracts would require the collection agency to report on its success in collecting such debts at least once every six months.

Subsection (b) would require the Secretary to disclose information concerning debts to the U.S. government, in excess of $100 and delinquent more than 31 days to consumer-reporting agencies.

PART B—SPECIAL OPERATIONS MATTERS

SECTION 1011—ESTABLISHMENT OF A NATIONAL SPECIAL OPERATIONS AGENCY

This provision would authorize the establishment of a National Special Operations Agency. The civilian director of the Agency, reporting directly to the Secretary of Defense, woud exercise command of all service special operations forces not assigned overseas to a unified combatant commander, through an active-duty Joint Special Operations Command commander.

In addition, the provision would require all budget requests for special operations forces to be considered in a separate major force program, formulation and execution of which would be the responsibility of the Director.

The provision would prohibit the Agency from conducting foreign clandestine intelligence collection activities or covert action (during peacetime). It would require regulations to be formulated that would permit adequate operations security for special operations units and activities.

Training, doctrine, exercises and plans for special operations would become an Agency responsibility under this provision.

SECTION 1012—SPECIAL OPERATIONS AIRLIFT READINESS

This provision would require that development, modification and procurement of the HH-53H PAVE LOW helicopter, the HH-60A/MH-60X nighthawk helicopter, the MH-47E helicopter, and the CV-22A Osprey tilt-rotor aircraft, for special operations purposes, to the maximum extent possible, be based on common subsystems.

In addition, the provision designates the Air Force as the Executive Agent for a joint service HH-60A/MH-60X Nighthawk program, and directs the retention of the original HH-60A test aircraft, for joint service testing purposes, until no longer needed in these modification and development programs.

PART C—REPORTS

SECTION 1021—REPORT ON CHEMICAL WEAPONS DEMILITARIZATION PROGRAM

Section 1021 would require the Secretary of the Defense to submit a report by February 1, 1987 to the Committees on Armed Services of the Senate and House of Representatives on the chemical weapons demilitarization program.

The report is to describe the methods for carrying out such programs that optimize safety and cost effectiveness considerations.

PART D—MISCELLANEOUS

SECTION 1031—USE OF MARINE MAMMALS FOR NATIONAL DEFENSE PURPOSES

Section 1031 provides that notwithstanding the Marine Mammal Protection Act of 1972 the Secretary of Defense, with the concurrence of the Secretary of Commerce and after consultation with the Marine Mammal Commission, may authorize the taking of not more than 25 marine mammals each year for national defense purposes.

Section 1031 also provides that any mammal taken under this authority shall be captured, supervised, cared for, transporated, and deployed in a humane manner consistent with conditions established by the Secretary of Commerce.

Section 1031 further provides that a mammal may not be taken if such mammal is determined to be a member of an endangered or threatened species under section 4 of the Endangered Species Act of 1973.

The committee recognizes the jurisdiction of the Committee on Merchant Marine and Fisheries over the Marine Mammal Protection Act of 1972 and notes that inclusion of a marine mammal provision in the bill would not limit or affect the jurisdiction of the Committee on Merchant Marine and Fisheries over marine mammal matters.

SECTION 1032—CONTRACT SET-ASIDE REQUIREMENTS

Section 1032 would provide for not less than 5 percent of the amounts appropriated for the Department of Defense in procurement; research, development, test and evaluation; and military construction to be set-aside for small business concerns owned and controlled by socially and economically disadvantaged individuals; historically Black colleges and universities; and minority institutions.

The Secretary of Defense is required to submit a report to Congress by May 1 of each year on the compliance with this section. If necessary, the report is to include a full explanation of any failure to comply with these requirements and a plan to remedy the failure.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATION

PURPOSE

The purpose of Division B is to provide military construction autorization and related authority in support of the military departments during fiscal year 1987. As approved by the committee, Division B would authorize $8,644,786,000 in appropriations for construction in support of the active and reserve components, including military family housing, the Defense Agencies, and the NATO Infrastructure. The committee recommends a net reduction of $1,342,352,000 from the total $9,987,138,000 requested in new authorization for fiscal year 1987.

A brief summary of the authorizations provided in Division B follows:

Authorization For Appropriations Recommended, Fiscal Year 1987

Title I - Army	
Inside the United States	721,350,000
Outside the United States	463,310,000
Unspecified minor construction	20,000,000
Planning and design	131,640,000
Family housing construction	420,760,000
Family housing support	1,250,000,000
Homeowners assistance program	6,000,000
Subtotal	3,013,060,000
Title II - Navy	
Inside the United States	1,178,910,000
Outside the United States	105,420,000
Unspecified minor construction	15,000,000
Planning and design	143,770,000
Defense access roads	5,400,000
Family housing construction	204,292,000
Family housing support	557,891,000
Subtotal	2,210,683,000
Title III - Air Force	
Inside the United States	835,042,000
Outside the United States	347,158,000
Unspecified minor construction	16,000,000
Planning and design	127,260,000
Defense access roads	32,700,000
Family housing construction	108,840,000
Family housing support	739,440,000
Subtotal	2,206,440,000
Title IV - Defense Agencies	
Inside the United States	285,943,000
Outside the United States	115,660,000
Unspecified minor construction	4,000,000
Contingency construction	5,000,000
Planning and design	88,200,000
Family housing construction	270,000
Family housing support	17,330,000
Subtotal	516,403,000
Title V - NATO Infrastructure	247,000,000

Title VI - Guard and Reserve Forces	
Army National Guard	121,100,000
Army Reserve	86,700,000
Naval and Marine Corps Reserve	44,500,000
Air National Guard	140,000,000
Air Force Reserve	58,900,000
Subtotal	451,200,000
Total authorization of appropriations	8,644,786,000

SUMMARY OF MILITARY FAMILY HOUSING
FY 1987

Item	Army ($000)	Navy ($000)	Air Force ($000)	Defense Agencies ($000)
New Construction	$ 250,830	$150,712	$ 43,196*	$ 270
No. of Units	3,032	1,368	522	3
No. of Mobile Home Sp	108	300	24	0
Improvements	$ 145,930	$ 51,580	$ 58,644	$ 0
Planning & Design	$ 24,000	$ 2,000	$ 7,000	$ 0
Operation /No. of Maintenance/ Units	$ 498,200 /158,009 569,852	$260,515 /90,688 265,846	$344,615 /138,498 307,684	$ 2,794 /652 509
Leasing	$ 173,885	$ 22,459	$ 79,776	$14,027
No. of Domestic Units**	7,425	665	463	-0-
No. of Foreign Units	22,581	1,923	9,200	916
Debt Payment	$ 8,063	$ 9,071	$ 7,365	$ -0-
Total Request	$1,670,760	$762,183	$848,280	$17,600

Summary

Total housing Program:	$3,298,823
New Construction:	445,008*(for 5,357 units/mobile home spaces; 4,925 units and 432 mobile home spaces)
Improvements:	256,154
Planning & Design:	33,000
Operations:	1,106,124 ($2,250,015 for 387,847 units)
Maintenance:	1,143,891
Leasing:	290,147 (for 43,173 units)
Debt Payment:	24,499

* Includes $.9 million for housing management offices at Davis-Monthan AFB, Arizona, McGuire AFB, New Jersey, and Pope AFB, North Carolina; and $.2 for a maintenance shop at Beale AFB, California.

** Includes 7,663 Section 801 Program units.

OVERVIEW

The fiscal year 1987 military construction authorization budget request was introduced as H.R. 4181.

The Department of Defense requested authorization of $9,987,138,000 for fiscal year 1987 for military construction, an amount that was approximately three percent lower than the $10,309,471,000 requested for fiscal year 1986 and eight percent higher than the $9,199,824,000 authorized for fiscal year 1986.

The request included nearly 1,700 individual projects at approximately 700 military installations within the United States and overseas. The committee carefully assessed each proposal and project to ensure that only those items essential to U.S. national defense interests would be approved. The committee's recommendations are included in Division B. The following table indicates the changes made to the various titles of the bill.

ADMINISTRATION REQUEST AND COMMITTEE ACTION AS REFLECTED IN DIVISION B

[Authorization of appropriations—in thousands of dollars]

	DoD fiscal year 1987 request	Changes made by committee	Total amount approved by committee
Army	3,445,216	432,156	3,013,060
Navy	2,588,293	377,610	2,210,683
Air Force	2,563,229	356,789	2,206,440
Defense agencies	692,200	175,797	516,403
NATO infrastructure	247,000	0	247,000
Guard and Reserve	451,200	0	451,200
Total	9,987,138	1,342,352	8,644,786

SPECIAL CONSIDERATIONS

BASING OF ARMY LIGHT DIVISIONS

To begin fielding 2 of its new Light Infantry Divisions, the Army requested a total of $885.7 million in authorization to greatly expand the base infrastructures at Fort Drum in New York and Fort Wainwright in Alaska. The committee reviewed the basing requirements for the 2 divisions very carefully and approved with minor modification the requests for Fort Drum and deferred the construction program proposed for Fort Wainwright.

New facilities for the 10th Mountain Light Division being organized at Fort Drum will include a full range of buildings to support a division that is to grow from a present 500-man unit to more than 10,200 active duty personnel as the division is activated through fiscal year 1989. The Army requested authority to build a total of $706 million in projects at Fort Drum through fiscal year 1989. The request includes authorization of $323 million for fiscal year 1987 and authorization of $221 million for fiscal year 1988 and $162 million for fiscal year 1989. Although advance authorization has been used by other Federal agencies for a number of years, this is the first time the Department of Defense has sought such authority in conjunction with military construction.

Army witnesses testified that advance authorization will enable the Army to sign large multi-year construction contracts that are expected to result in the erection of standardized facilities more efficiently and bring about other savings through economies of scale. The Army estimates that this approach will save the government about $128 million compared to the cost of the same facilities using the traditional annual budgeting for military construction. In undertaking the largest new construction at an Army base in many years, the Army's stated objective is to make Fort Drum "a model installation, providing for productivity, unit integrity, quality of life, growth, change and economy."

The committee recommends modifying the requests for Fort Drum by reducing the authorization for fiscal year 1987 from $323 million to $271 million, approving the advance authorization of $221 million for fiscal year 1988 and increasing the advance authorization for fiscal year 1989 from $162 million to $214 million.

In reviewing the Army's request for $179.7 million in projects to bed down the 6th Light Infantry Division at Fort Wainwright, Alaska, the committee recommends deferring the projects because of budget constraints and doubts over the need for a light division in Alaska because its primary mission is the defense of Alaska. This appears to be in conflict with the Army's stated mission for light divisions which is to deploy rapidly to deal with overseas contingencies to protect U.S. national interests. The Army should be called on next year to better justify the need for a light division in Alaska.

OVERSIGHT OF ADVANCED AUTHORIZATION OF APPROPRIATIONS, FORT DRUM, NEW YORK

The committee supports the initiative by the Secretary of the Army to construct the facilities at Ft. Drum, New York through advanced authorization of appropriations, but is concerned over its ability to maintain proper legislative oversight over a program this large without annual approval of authorization.

Therefore, the Secretary of the Army is directed to keep the committee fully advised of the progress of this initiative by providing status reports to the committee on a regular basis. The Secretary is further directed to submit to the committee each year with its annual military construction budget a report that details the problems and progress of the program during the past year as well as anticipated milestones during the coming year. As a minimum, this report should address the following:

(1) scheduled versus actual obligation of funds

(2) significant events since the last report

(3) status of contractors performance on his approved subcontracting plan, and

(4) status of the fielding schedule for the fielding of the light infantry division.

In addition, the Secretary should notify the committee prior to award of each prime contract specifying who is to receive the contract, the amount of the contract, and a copy of the subcontracting plan for small and small disadvantaged businesses. The committee continues to be concerned over the low level of contracting with small disadvantaged businesses by the Department of Defense and will carefully follow the contracting associated with this project to ensure that these businesses are given every opportunity to participate.

STRATEGIC HOMEPORTING

The committee approved the concept of strategic homeporting and the dispersal of the fleet and released approximately $76 million in fiscal year 1986 funds that were being withheld pending a decision by the committee on the concept.

The committee recommends authorization of $54.5 million of the $92 million requested for a Naval Station at Staten Island, New York but recommends deferring all $95.4 million requested for a Naval Station at Everett, Washington. The denial of funds for construction at Everett was done without prejudice but over concern that too many questions remain unanswered. The Secretary of the Navy is directed to request no additional funds for a naval station at Everett, Washington until a completed Environmental Impact Statement has been approved by all required parties and a dredging permit has been issued; a firm commitment has been received from the State of Washington to finance its share of the program; assurances have been received from the State of Washington that an access road will be provided and appropriate action has been taken by the State Legislative to fund the road; certification is provided that no additional funds will be required in terms of impact aid; and the total cost associated with the project, both direct and indirect, has been identified by the Navy and provided to the committee.

The committee continues to be concerned over the projected costs of the strategic homeporting program and questions how realistic the figure of $799 million is for all 13 ports.

The committee directs the Navy to submit a listing by base of all projects and the associated costs contained in the $799 million; those projects and associated costs included in the enhanced program; and any other projects associated with the bases such as family housing, access roads, non-appropriated fund activities, impact aid, and community impact assistance, and the expected costs. The committee is concerned regarding the high costs involved with constructing the homeports in Washington and New York and directs the Secretary of the Navy to rank all 13 ports in order of the total Federal dollars to be spent against the number of ships to be accommodated. This information is to be provided to the committee no later than January 30, 1987.

FAMILY HOUSING DOMESTIC LEASING AND RENTAL GUARANTEE PROGRAMS

The military construction authorization act (P.L. 98-115) for fiscal year for 1984, established a domestic leasing (sec. 801) and rental guarantee (sec. 802) demonstration program to test whether family housing units could be provided more quickly, efficiently, and cost effectively without diminishing quality than in the conventional military construction budget process. The Secretary of Defense has requested that these test programs be granted permanent authority and that all limitations on the number of leases be removed. The committee recommends that a moratorium be placed on both sec. 801 and sec. 802 programs.

So far the committee has approved the leasing of 2,863 housing units through the section 801 program. Over the next 20 years these units will cost the government an astounding $670 million to lease, or $234,000 per unit after which the government has nothing. Even after considering operation and maintenance costs, the Department of Defense is paying twice what it would cost to construct new homes through the conventional military construction method. In fact, it appears that the only advantage of build to lease over military construction is the first year construction cost avoidance.

In response to a request from the Committees on Armed Services of the Senate and the House of Representatives, the General Accounting Office (GAO) reviewed this program. The GAO's initial findings on the 801 program have shown that it is not currently structured to take full advantage of private sector competition or to obtain housing at less cost than new military construction. Rather it is designed to get the highest quality house at the lowest allowable cost. In fact most contract awards to date on section 801 projects have gone to either the highest or second highest bidder at the maximum allowable cost.

The committee is dedicated to providing the necessary family housing for military personnel, but believes it must be acquired in the most cost effective manner. By requesting permanent unrestricted authority for the section 801 build to lease program, the Secretary of Defense has clearly indicated his intention to rely upon the leasing alternative for new domestic family housing rather than request the necessary construction funds through the budget process on the premise that housing can be provided at a faster pace. The committee believes that if new housing is required, the Secretary should consider rearranging his budget priorities and request the necessary construction funds through the regular budget process, thereby permitting the government to have ownership of the units.

The committee, therefore, recommends that a moratorium be placed on the section 801–802 programs in order to allow time for the Department of Defense to fully assess the overall direction of the housing program.

The committee, further, instructs the Secretary of Defense to conduct a study of other alternatives for providing family housing that would include but not be limited to lease/purchase and the old Capehart-type mortgage plan. The results of this study shall be submitted to the Committees on Armed Services of the Senate and the House of Representatives by March 1, 1987.

OUT-LEASING OF GOVERNMENT-OWNED LAND

One option that has been used by the Department of Defense for acquiring family housing seems promising. Under the authority of title 10, United Stated Code, section 2667, financing for new housing on out-leased government owned land is permitted.

The committee has concerns over the unchecked authority that this section gives to the services to out-lease government land without any oversight by the Congress. The intent of this legislation, enacted in 1956, was to allow agricultural out-leases around runways, and to provide for the out-leasing of closed facilities such as Hunters Point Naval Shipyard in San Francisco, California, without excessing the property. It was not intended to be used to satisfy legitimate military construction needs.

The Department of Defense is in the process of drafting new regulations governing this section to provide for closer coordination and notification to the Committee on Armed Services of the Senate and the House of Representatives when section 2667 authority is used to accomplish construction of facilities that would otherwise fall under the jurisdiction of the Congress. The committee, therefore, directs that scarce government land not be out-leased for long periods of time to private developers without a total justification being provided to the Committees on Armed Services of the Senate and the House of Representatives 30 days before contract award.

TITLE I—ARMY

The Army requested authorization of $3,828,216,000. The committee, after careful review and consideration of the Army request, recommends authorization of $3,013,060,000 for the following programs:

	Army request	Total authorization	Less amounts not authorized for appropriation in FY 1987	Total authorized for appropriation
Military construction:				
Inside the United States	[1] $1,361,770,000	$1,156,350,000	[2] $435,000,000	$721,350,000
Outside the United States	568,160,000	463,310,000		463,310,000
Architectural and engineering services	131,640,000	131,640,000		131,640,000
Minor construction	20,000,000	20,000,000		20,000,000
Total military construction	2,081,570,000	1,771,300,000	435,000,000	1,336,300,000
Military family housing:				
Construction	463,380,000	420,760,000		420,760,000
Support	1,277,266,000	1,250,000,000		1,250,000,000
Total family housing	1,740,646,000	1,670,760,000		1,670,760,000
Homeowners Assistance Program	6,000,000	6,000,000		6,000,000
Grand total, Army	3,828,216,000	3,448,060,000	435,000,000	3,013,060,000

[1] Includes the Army request of $383 million for authorization of advance appropriations in FY 88 and 89.

[2] Total authorization for the Tenth Mountain Division Facilities at Fort Drum, New York, was $615,000,000. The committee authorized $180,000,000 for appropriation in FY 1987 and provided authorization for advance appropriations of $221,000,000 in FY 1988 and $214,000,000 in FY 1989.

MILITARY CONSTRUCTION OVERVIEW

The Army's authorization request for military construction and the committee's recommendations are as follows:

MAJOR COMMAND SUMMARY

[In thousands of dollars]

Major command	Army request	Committee approved
Inside the United States:		
U.S. Army Forces Command	560,090	363,040
U.S. Army Western Command	14,900	14,900
U.S. Army Training and Doctrine Command	141,820	138,770
Military District of Washington	3,800	0
U.S. Army Materiel Command	169,790	154,890
Army ammunition plants	34,620	0
U.S. Army Information Systems Command	17,200	17,200
U.S. Military Academy	28,500	24,500
U.S. Army Military Traffic Management Command	650	650
Special project	7,400	7,400
Total inside the United States	978,770	721,350
Outside the United States:		
U.S. Army, Japan	1,200	1,200
Eighth U.S. Army	134,810	133,770
U.S. Army Strategic Defense Command	20,600	20,600
U.S. Army Forces Command	9,320	4,000
U.S. Army, Europe	394,480	295,990
U.S. Army Intelligence and Security Command	7,750	7,750
Total outside the United States	568,160	463,310
Support:		
Minor construction	20,000	20,000
Architectural and engineering services	131,640	131,640
Total support	151,640	151,640
Total military construction authorization for appropriation	1,698,570	1,336,300

FACILITY CATEGORY SUMMARY

[In thousands of dollars]

Facility category	Army request	Committee approved
Operations and training	569,390	485,640
Maintenance and production	301,820	194,930
Army ammunition plants	34,620	0
Research, development, test and evaluation	47,780	47,780
Supply	78,420	63,470
Administrative	23,090	21,710
Housing and community	350,100	260,420
Utilities and ground improvements	141,710	110,710
Minor construction	20,000	20,000
Architectural and engineering services	131,640	131,640
Total military construction	1,698,570	1,336,300
Total military construction authorization for appropriation		1,336,300

POLLUTION ABATEMENT

The committee recommends $9,850,000 for two pollution abatement projects. The projects are listed at the appropriate place in the state list.

Family Housing Overview

The Army's request for the Family Housing program and the committee's recommendations are as follows:

[In thousands of dollars]

Category	Army request	Committee approved
Construction:		
New family housing (3,400 units requested)	293,380	250,830
Post acquisition construction	146,000	145,930
Architectural and engineering services	24,000	24,000
Total construction	463,380	420,760
Operation and maintenance (157,388 units):		
Operating expenses	507,466	498,200
Maintenance	587,852	569,852
Total operation and maintenance	1,095,318	1,068,052
Leasing:		
Foreign (22,581 units)	142,639	142,639
Domestic (825 units)	4,310	4,310
Section 801 (6,600 units)	26,936	26,936
Section 802 (1,200 units)	0	0
Total leasing	173,885	173,885
Debt payment:		
Principal	7,646	7,646
Interest and other expenses	347	347
Servicemen's mortgage insurance premiums	70	70
Total debt payment	8,063	8,063
Total Army family housing request	1,740,646	1,670,760
Total authorized for appropriation, Army family housing		1,670,760

CONSTRUCTION

New construction

The committee recommends $250,830,000 for 3,140 units of new construction at the following locations:

[In thousands of dollars]

Location	Units	Amount
Aberdeen Proving Ground, MD	140	9,700
Fort Drum, NY	1,200	91,000
Kwajalein, Marshall Islands	136	23,000
Fort Ord, CA	385	34,000
Fort Polk, LA	583	37,000
Seneca Army Depot, NY	30	2,900
Fort Wainwright, AK	150	[1] 0
Crailsheim, Germany	40	4,100
Darmstadt, Germany	40	3,150
Erlangen, Germany	106	9,400
Herzo Base, Germany	34	3,300
Mainz, Germany	20	[1] 0
Schweinfurt, Germany	90	8,400

[In thousands of dollars]

Location	Units	Amount
Vilseck, Germany	224	21,000
Wildflecken, Germany	24	2,050
Livorno, Italy	90	[2] 0
Aberdeen Proving Ground, MD (manufactured home spaces)	70	1,100
Fort Irwin, CA (manufactured home spaces)	38	730

[1] Committee questions requirement.

[2] Deferred pending host nation construction permit.

Post acquisition construction

The committee recommends $145,930,000 for improvements to existing family housing units at installations inside the United States; installations in Japan; installations in Korea; and communities in Germany as follows:

[In thousands of dollars]	*Amount*
Program: Improvements	[1] 145,930

[1] Deferred project to renew general officer quarters at Yongsan, Korea for $70,000 because of budgetary constraints.

Architectural and engineering services

The committee recommends $24,000,000 for architectural, engineering services and construction design. These funds will be used to plan for and design future year projects as well as to complete the design of fiscal year 1987 projects in new construction, improvements and energy conservation. Accordingly, the committee recommends approval of the entire amount requested.

OPERATION AND MAINTENANCE

The committee recommends $1,068,052 for operation and maintenance of the fiscal year 1987 estimated inventory of 157,388 housing units. The committee recommends deferral of $18,000,000 for maintenance and repair work. The committee also recommends a reduction of $9,266,000 for utilities to reflect fuel savings.

LEASING

The committee recommends $142,639,000 for foreign leases, $4,310,000 for domestic leases, and $26,936,000 for section 801 build-to-lease housing.

HOMEOWNERS ASSISTANCE PROGRAM

The committee recommends approval of the Army request of $6,000,000 for the homeowner assistance program.

SUMMARY OF ARMY PROGRAM CHANGES

A summary of the committee recommendations is as follows:

[In thousands of dollars]

Location and project	*Amount*
Total Army request	3,445,216
Military construction: Total Army authorization of appropriation request	1,698,570
Committee reductions:	
Army ammunition plants	[1] 34,620
Alaska: 6th Infantry Division facilities	[3] 137,900
Corpus Christi Army Depot: Aircraft maintenance shop addition	2,150
Fort Drum: 10th Mountain Division facilities	[2] 52,000
Fort Irwin: General purpose warehouse	[4] 2,050
Fort Myer: Physical Fitness Trng. Center	[17] 3,800
Fort Sill: Vehicle wash facility	[4] 3,050
New Cumberland Army Depot: Eastern Dist. Center, Phase II	[15] 8,000
Germany:	
Baumholder: Facility modernization phase IV	12,400
Frankfurt: Crime laboratory modernization/addition	3,500
Giessen: Facility modernization	16,000
Rheinberg: New/modernized facilities	[16] 6,460
Schweinfurt: Facility modernization	16,000
Various locations:	
Wartime best nation support	[6] 13,000
Site security enhancements	[15] 10,000
Vilseck:	
Commissary Sales Store	[7] 7,300
Exchange Shopping Center	[7] 8,000
Post Office	1,300
Wildflecken: Vehicle wash facility	[5] 3,800
Greece: Operations building modernization	[9] 730
Hawthorne Army Ammunition Plant: Ammunition surveillance facility	7,000
Korea:	
Camp Greaves: Tactical equipment shop	[8] 340
Camp Humphreys: Tactical equipment shop	[9] 700
Overseas, Unspecified: Prepositioned war material facilities	[10] 4,900
Panama: Aircraft parking apron extension	[4] 420
Presidio of San Francisco: Barracks	[11] 5,100
U.S. Military Academy:	
Academic facility modernization	[15] 1,000
Academic facility modernization, phase II	[16] 3,000
Total reductions	463,650
Committee additions: Corpus Christi: Power train facility	2,250
Total additions	2,250
Net reduction	461,400
New military construction authorization	1,237,170
Family Housing: Total Army authorization of appropriation request	1,740,646
Committee reductions:	
Fort Wainwright: New construction	[3] 33,000
Mainz, Germany: New construction	[12] 1,850
Livorno, Italy: New construction	[13] 7,700
Yongsan, Korea; Improvements	[14] 70
Maintenance	[2] 18,000

Location and project	*Amount*
Utilities	[2] 9,266
Total reductions	69,886
New family housing authorization	1,670,760
Homeowners Assistance Program: Total Army authorization request	6,000
New Army military construction, family housing, and homeowners assistance authorization	3,013,060
Non-Add Approvals:	
Authorization for appropriation in FY 1988	−221,000
Authorization for appropriation in FY 1989	−214,000
Total authorization for appropriation	3,013,060

All projects deferred without prejudice unless otherwise noted.

[1] Transfer to Procurement of Ammunition, Army account.

[2] Partial reduction.

[3] Committee questions requirement for Light Infantry Division in Alaska.

[4] Review scope and cost.

[5] Defer project. Design less than 35%.

[6] Submit additional requests as needed

[7] Delete project. Alternate funding source exists.

[8] No longer required.

[9] Army reduced scope to 40,350 SF with a new cost of $5,200,000.

[10] No host nation agreement.

[11] Defer pending outcome of court challenge of prior year projects.

[12] Committee questions requirement.

[13] Defer pending host nation construction permit.

[14] Defer project to renew general officer quarters at Yongsan, Korea because of budgetary constraints.

[15] Army reduced cost.

[16] Defer modernization of south Thayer Hall.

[17] Defer budget constraints.

SPECIAL CONSIDERATIONS

FORT RUCKER, ALABAMA, AVIATION MUSEUM

The Fort Rucker Aviation Museum Foundation, in an effort to preserve for future Americans the heritage of U.S. Army flight, has raised almost $2 million in private contributions to protect $100 million in priceless aviation history that is being destroyed by the elements at Fort Rucker, Alabama. The goal of the foundation is to construct a $5 million facility to ensure the preservation of these irreplaceable aircraft.

A project to provide matching Federal funds in the amount of $2.5 million was authorized by the Congress in fiscal year 1986; however, funds were not appropriated for this purpose. Therefore, the committee directs the Secretary of Defense to reprogram $2.5 million in savings from unobligated prior year appropriations to match the private contributions. The Secretary is further directed to submit by June 30, 1987 a written report to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives certifying that funds are available for this purpose and identifying the source of the funds to be reprogrammed.

The committee recognizes this authorization is a special exception to its policy on museum funding; however, an exceptance is recommended because of the importance of the project to the preservation of aviation history for future Americans.

FORT MONROE, VIRGINIA, COMMAND AND CONTROL FACILITY

The committee is concerned that the Army has not expedited the design of the Command and Control Facility for the Training and Doctrine Command at Fort Monroe, Virginia, and has not included construction funds for this facility in its fiscal year 1987 military construction request as the committee urged last year. Noting that the design of this facility is expected to be complete by the end of fiscal year 1986, the committee hereby directs the Department of the Army to include funds for construction of the Command and Control Facility in its fiscal year 1988 military construction request.

FORT EUSTIS, VIRGINIA, GYMNASIUM

The Fort Eustis gymnasium is experiencing congested and unacceptable conditions as a result of the Army's failure to provide facilities to satisfy the requirements dictated by the size of the base population. Fort Eustis is authorized to have 4 physical fitness facilities for a total of 84,000 square feet compared to the current 1 facility with 48,292 square feet. The committee urges the Army to expedite the complete design of a new gymnasium at Fort Eustis to make up for this shortfall so that a request for construction funds may be included in the fiscal year 1988 request.

TOOELE ARMY DEPOT, UTAH

The committee has become aware that Tooele Army Depot, Utah, is under a mandate issued by the Environmental Protection Agency to cease the discharge of all industrial waste by November, 1988. This order was issued subsequent to the implementation of the 1984 amendments to the Resource Conservation Recovery Act, (RCRA). The committee understands that if the wastewater problems are not corrected by the mandated date, the depot could be closed for environmental purposes.

Tooele Army Depot, as the primary maintenance and supply facility for tactical wheeled vehicles and associated equipment, plays a vital role in ensuring the Army's readiness posture. Additionally, Tooele's role in the development of innovative technology for the demilitarization of chemical weapons is of primary concern to the Department of Defense.

The committee understands that the Department of the Army has under design an industrial wastewater treatment facility programmed for Fiscal Year 1988 and a Consolidated Maintenance Facility programmed for Fiscal Year 1989. These two projects are critical for the correction of the wastewater environmental problems at Tooele. Therefore, the Secretary of the Army is directed to submit these two projects in the Fiscal Year 1988 and Fiscal Year 1989 Military Constructions programs. Additionally, the Secretary of the Army is directed to include with the wastewater treatment facility, a recycle system for industrial wastewater to address Tooele's needs from the date of the RCRA mandate to the date that the Consolidated Maintenance Facility becomes operational.

TITLE II—NAVY

The Navy requested authorization of $2,588,293,000. The committee, after careful review and consideration of the Navy request, recommends authorization of $2,210,683,000 for the following programs:

	Navy request	Total authorized for appropriation
Military construction:		
Inside the United States	$1,474,305,000	$1,178,910,000
Outside the United States	156,905,000	105,420,000
Architectural and engineering services	143,770,000	143,770,000
Unspecified minor construction	15,000,000	15,000,000
Defense access roads	5,400,000	5,400,000
Total military construction	1,795,380,000	1,448,500,000
Military family housing:		
Construction	230,322,000	204,292,000
Support	562,591,000	557,891,000
Total family housing	792,913,000	762,183,000
Grand total, Navy	2,588,293,000	2,210,683,000

MILITARY CONSTRUCTION OVERVIEW

The Navy's authorization request for military construction and the committee's recommendation are as follows:

Major command	Navy request	Committee approved
Inside the United States:		
U.S Marine Corps	$250,850	$247,460
Space and Naval Warfare Systems Command	1,870	1,870
Chief of Naval Operations	30,790	6,790
Commander in Chief, Atlantic Fleet	127,180	103,520
Commander in Chief, Pacific Fleet	346,575	200,945
Chief of Naval Education and Training	148,930	126,520
Naval Medical Command	2,360	2,360
Naval Oceanography Command	980	980
Naval Telecommunications Command	3,830	0
Naval Security Group Command	16,170	14,600
Naval Supply Systems Command	25,270	23,900
Naval Air Systems Command	75,240	75,240
Naval Facilities Engineering Command	61,770	61,770
Naval Sea Systems Command	154,460	134,730
Office of the Chief of Naval Research	41,190	19,710
Strategic Systems Project Office	177,840	158,515
Total inside the United States	1,474,305	1,178,910
Outside the United States:		
U.S. Marine Corps	13,220	13,220
Chief of Naval Operations	300	0
Commander in Chief, Atlantic Fleet	42,805	29,310
Commander in Chief, Pacific Fleet	28,340	19,270
Commander in Chief, U.S. Naval Forces Europe	47,920	21,870
Naval Telecommunications Command	11,730	11,260
Naval Security Group Command	5,190	5,190
Naval Facilities Engineering Command	3,670	1,570

Major command	Navy request	Committee approved
Office of the Chief of Naval Research	3,730	3,730
Total, outside the United States	156,905	105,420
Support:		
Unspecified minor construction	15,000	15,000
Architectural and engineering services	143,770	143,770
Defense access roads	5,400	5,400
Total, support	164,170	164,170
Total, military construction	1,795,380	1,284,330

FACILITY CATEGORY SUMMARY

[In thousands of dollars]

Facility category	Request			Committee approved		
	Navy	Marine Corps	Total	Navy	Marine Corps	Total
Operational	425,230	29,390	454,620	272,290	27,370	299,660
Training	124,650	13,450	138,100	105,400	13,450	118,850
Maintenance and production	203,060	84,270	287,330	156,435	84,270	240,705
Research, development, test and evaluation	51,700	0	51,700	32,670	0	32,670
Supply	110,010	16,490	126,500	81,860	16,490	98,350
Administrative	24,200	26,890	51,090	9,5900	25,020	34,610
Troop housing	149,740	87,010	236,750	114,710	79,010	193,720
Community support	59,220	6,370	65,590	53,450	5,870	59,320
Utilities	103,295	4,540	107,835	94,485	4,540	99,025
Energy conservation	10,430	0	10,430	8,330	0	8,330
Pollution abatement	13,390	1,720	15,110	11,710	1,720	13,430
Real estate	82,915	2,940	85,855	82,720	2,940	85,660
Subtotal	1,357,840	273,070	1,630,910	1,023,650	260,680	1,284,330
Defense access roads			5,400			5,400
Unspecified minor			15,000			15,000
Architectural and engineering services and construction design			143,770			143,770
North Atlantic Treaty Organization			300			0
Subtotal			164,470			164,170
Total—Military construction			1,795,380			1,448,500

POLLUTION ABATEMENT

The committee recommends authorization of $13,430,000 for 18 pollution abatement projects. The projects are listed at the appropriate place in the state list.

ENERGY CONSERVATION INVESTMENT PROGRAM

The committee recommends authorization of $8,330,000 for 8 energy conservation projects. The projects are listed at the appropriate place in the state list.

DEFENSE ACCESS ROADS

The committee recommends approving the Navy request of $5,400,000 for authorization for advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code. The Navy intends to use the appropriations for the following projects:

[In thousands of dollars]

Location and project	*Amount*
Fleet Combat Training Center, Atlantic, Dam Neck, VA: Primary access road	2,550
Naval Station, New York, NY: Road improvements at Stapleton	1,450
Naval Station, San Diego, CA: Road improvements at Chula Vista family housing site	1,400
Total	5,400

FAMILY HOUSING OVERVIEW

The Navy's request for the family housing program and the committee's recommendations are as follows:

[In thousands of dollars]

Category	Navy request	Committee approved
Construction:		
New family housing (1,668 units and 300 mobile home spaces requested)	176,742	150,712
Post acquisition construction	51,580	51,580
Architectural and engineering services	2,000	2,000
Total construction	230,322	204,292
Operation and maintenance (90,588 units):		
Operating expenses	262,915	260,515
Maintenance	268,146	265,846
Total operation and maintenance	531,061	526,361
Leasing:		
Foreign (1923 units)	17,245	17,245
Domestic (665 units)	5,214	5,214
Total leasing	22,459	22,459
Debt payment:		
Principal	8,613	8,613
Interest and other expenses	268	268
Servicemen's mortgage insurance premiums	190	190
Total debt payment	9,071	9,071
Total, Navy family housing request	792,913	762,183

CONSTRUCTION

New construction

The committee recommends authorization of $150,712,000 for 1,368 units of new construction and 300 mobile home spaces at the following locations.

[Dollar amounts in thousands]

Location	New housing units	Mobile home spaces	
Marine Corps Air Station, El Toro, CA			[1] 2,300
Naval Station, Long Beach, CA	300		22,900
Naval Air Station, Moffett Field, CA	126		11,600
Naval Station, New York, NY	300		[2] 0
Navy Public Works Center, San Francisco, CA	300		26,450
Marine Corps Air Ground Combat Center, Twentynine Palms, CA	392	75	35,300
Marine Corps Base, Camp Pendleton, CA		100	1,800
Marine Corps Base, Camp Lejeune, NC		75	930
Marine Corps Development and Education Command, Quantico, VA		50	790
Naval Station Keflavik, IC	250		48,642

[1] Tranferred from maintenance account for replacement units under section 206.

[2] Defer $28,300,000 for strategic homeporting.

SUMMARY OF NAVY PROGRAM CHANGES

A summary of the committee recommendations by project is as follows:

[In thousands of dollars]

Location and project	*Amount*
Total request	2,588,293
Military Construction: Total Navy authorization request	1,795,380
Committee reductions:	
Marine Corps Air Station, Beaufort, SC: Aircraft rinse facility	[1] 740
Marine Corps Base, Camp Lejeune, NC: Bachelor enlisted quarters	[2] 3,000
Marine Corps Air Station, Kaneohe Bay, HI: Aircraft rinse facility	[1] 1,280
Camp H.M. Smith, Oahu, HI: Security headquarters	[1] 500
Marine Corps Recruit Depot, Parris Island, SC: Recruit battalion operations facility	[1] 1,870
Marine Corps Air-Ground Combat Center, Twentynine Palms, CA; Bachelor enlisted quarters	[4] 5,000
Commandant Naval District, Washington, DC: White House support complex	[5] 24,000
Naval Air Station, Brunswick, ME: Ground support equipment maintenance facility	[6] 2,160
Naval Submarine Base, New London, CT:	
Weapons storage improvements	[6] 2,950
Bachelor officer quarters	[1] 9,300
Naval Station, New York, NY: Battleship support complex (increment II)	[7] 9,250
Naval Air Station, Adak, AK: Construction management facility improvements	[1] 500
Naval Submarine Base, Bangor, WA:	
Bachelor enlisted quarters	[3] 4,900
Security building	[3] 2,750
Hazardous waste facility	[3] 1,280
Sewerage system	[8] 400
Naval Air Station, Barbers Point, HI: TACAMO support complex	[9] 25,300
Naval Station, Everett, WA: Carrier support complex (increment II)	[10] 95,400
Naval Air Station, Fallon, NV: Electronic warfare range improvements	[11] 4,000
Naval Station, Long Beach, CA: Bachelor officer quarters	[6] 3,730
Naval Air Station, Miramar, CA: Bachelor enlisted quarters	[12] 4,000
Naval Submarine Base, San Diego, CA: Bachelor enlisted quarters	[13] 2,900
Naval Station, Mare Island, Vallejo, CA: Religious education building alteration	[1] 470
Fleet Combat Training Center, Atlantic, Dam Neck, VA: Electrical distribution system	[14] 820

Location and project	*Amount*
Naval Air Station, Memphis, TN:	
Aviation ordnanceman training building	[1]12,800
Entrance roads improvement	[3]1,570
Naval Air Station, Meridian, MS: Physical security improvements	[14]250
Naval Training Center, Orlando, FL: Public works shop	[1]2,550
Naval Construction Training Center, Port Hueneme, CA: Automotive vehicle maintenance facility	[6]1,470
Naval Training Center, San Diego, CA: Bridge	[6]2,950
Naval Communication Area Master Station, Western Pacific, Honolulu, HI: Antenna safety improvements	[6]1,080
Naval Communications Station, Stockton, CA: Fire protection pipeline	[3]2,750
Naval Security Group Detachment, San Diego, CA: Classified materials issuing office addition	[1]1,570
Naval Supply Center, San Diego, CA: Personal property office	[15]1,370
Naval Ordnance Station, Indian Head, MD: Propellant facilities upgrade	[16]2,730
Portsmouth Naval Shipyard, Kittery, ME: Engineering management building	[1]10,900
Naval Weapons Station, Seal Beach, CA: Quality evaluation laboratory	[6]6,100
Naval Weapons Center, China Lake, CA:	
Guided missile laboratory	[1]10,300
Mess hall	[1]2,450
Naval Research Laboratory, Washington, DC.: Physics laboratory improvements	[17]8,730
Naval Submarine Base, Kings Bay, GA:	
Dry dock	[18]2,350
Refit wharf	[18]4,545
Dredging (phase I)	[18]5,040
Off-crew operations building	[18]740
Strategic weapons magazines	[18]1,670
Provision warehouse	[3]2,160
Ready stores facility	[3]1,270
Commander submarine group office	[19]1,550
Various locations: Host nation infrastructure support	[20]300
Naval Air Station, Keflavik, IC: Fuel facilities	[21]13,300
Atlantic Fleet Weapons Training Facility, Roosevelt Roads, RP: Land acquisition	[8]195
Naval Air Station, Cubi Point, RP: Bachelor officers quarters	[22]5,300
Naval Station, Subic Bay, RP: Construction battalion camp	[22]1,710
Naval Supply Depot, Subic Bay, RP: Data processing center addition	[22]290
Naval Ship Repair Facility, Subic Bay, RP: Abrasive blast facility	[22]1,770
Naval Activities, London, UK: Consolidated personnel support facilities	[1]1,180
Naval Support Activity, Naples, IT:	
Air cargo terminal	[1]5,500
Command control communications and intelligence complex (phase I)	[23]18,000
Naval Air Station, Sigonella, IT: Chapel facilities	[3]1,370
Naval Communication Station, San Miguel, RP: Fire protection system	[22]470
Navy Public Works Center, Subic Bay, RP: Facility energy improvements	[22]2,100
Total reductions	346,880
New military construction authorization	1,448,500
Family housing: Total Navy authorization request	792,913
Committee reductions:	
Naval Station, New York, NY: 300 Units	[8]28,330
Various locations: Utilities account	[24]2,400
Various locations: Maintenance account	[25]2,300
Total reductions	33,030

Location and project	Amount
Committee additions: Marine Corps Air Station, El Toro, CA: Replacement units	[25] 2,300
Total additions	2,300
Net reduction	30,730
New Family housing authorization	762,183
New Navy military construction and family housing authorization	2,210,683
Total authorization for appropriation	2,210,683

[1] Defer—budget constraints. Continue to use existing facility.

[2] Defer 1 of 5 buildings and reduced cost to $14,700,000.

[3] Defer—budget constraints.

[4] Eliminate 1 of 4 buildings and reduce cost to $17,600,000.

[5] Defer—low design.

[6] Defer to fund homeporting in New York.

[7] Reduce from $62.2 million by deferring Supply warehouse ($6.8 million) and bachelor officer quarters ($2.45 million).

[8] Delete—requirement no longer exists.

[9] Defer—investigate use of Air Force facilities.

[10] Defer—SEIS on dredging not completed. Require commitment by State and/or local community to fund access roads.

[11] Cost estimate reduced from $11,800,000.

[12] Defer one of three buildings and reduce cost to $9,200,000.

[13] Eliminate parking garage and reduce cost to $6,200,000.

[14] Delete—being done with fiscal year 1986 unspecified minor construction funds.

[15] Defer—include in Broadway complex plan.

[16] Reduce scope and cost to $950,000.

[17] Defer—investigate joint use of facilities at White Sands, NM.

[18] Reduce by 10 percent for good bids.

[19] Defer—use existing administrative space.

[20] Delete—project behind schedule—previous authorization being extended.

[21] Defer—budget constraints—backlog on current construction.

[22] Defer pending stabilization of political situation and decisions on continued use of base.

[23] Defer pending further study—conflicting testimony of technical experts.

[24] Reduced to reflect reduction in fuel prices.

[25] Transfer from maintenance to construction account to fund MCAS El Toro, CA, replacement units under section 206.

SPECIAL CONSIDERATIONS

LONG BEACH, NAVAL STATION, CALIFORNIA, LAND EXCHANGE

Section 2207 would authorize an exchange of land between the Navy and the City of Long Beach. The Navy owns the land adjacent to the Admiral Kidd Park which the City is most anxious to use to expand its park. The housing situation in Long Beach is critical and the Navy needs land on which to site additional family housing units. Therefore, in exchange for the Navy's land the City is willing to trade land adjacent to a Navy housing project. This exchange would allow the Navy to proceed at the earliest possible time with planning and development of family housing to be sited on the new site. The committee supports this proposal as being in the best interest of both the Navy and the City of Long Beach.

SAN DIEGO, CALIFORNIA, LEASE AND DEVELOPMENT OF CERTAIN REAL PROPERTY

Section 2208 would authorize the Secretary of the Navy to enter into leases of real property located within the Broadway Complex of the Department of the Navy, San Diego, California. In consideration for the leases the Secretary would obtain, without compensation or at below market value, facilities or the use of facilities, or both, constructed on the property by the leases.

The committee supports this program but expects the Secretary to keep the committee informed of actions taken on this project and to submit to the committee a complete justification of the plan as to how this approach is more advantageous for the United States Government than developing the property with Federal funds. This information is to be provided to the committee prior to entering into the agreement.

GUAM, CERTAIN ENLISTED QUARTERS

Section 2209 would amend the Military Construction Authorization Act of 1986 (Public Law 99-167) to allow a $4,700,000 bachelor enlisted quarters to be constructed at the Naval Station, Guam, instead of at the Naval Magazine, Guam, as originally authorized.

Two of the three platoons of the Marine Corps Security Company, Guam, are currently berthed in overcrowded inadequate quarters at the Naval Station. In order to alleviate this situation, a military construction project for the Naval Magazine was authorized and funded in the amount of $4,700,000 in fiscal year 1986. A subsequent review of the overall security requirements on Guam by the Marine Corps indicates that the mission of the Security company would be better served if the new quarters were constructed at the Naval Station instead of the Naval Magazine.

NAVAL AIR TEST CENTER, PATUXENT RIVER, MARYLAND

The committee is concerned about the severely inadequate facilities that presently serve the Department of the Navy's Test Pilot School at the Naval Air Test Center (NATC), Patuxent River, Maryland. Since its inception as a Test Pilot Program in 1945, the Test Pilot Training activity at NATC never had facilities dedicated exclusively to the mission it fulfills. Instead, the program has competed with other vital activities at NATC for available space. The Test Pilot School graduates up to 60 students per year and provides support for services throughout the Department of Defense. Although the number of graduates is projected to increase steadily over the next several years, the committee believes that the school will suffer from the lack of an adequate academic and training environment. The committee, therefore, directs the Navy to initiate design for a new Test Pilot School for inclusion in the fiscal year 1988 request.

PHILADELPHIA NAVAL SHIPYARD, PENNSYLVANIA, WATER DISTRIBUTION SYSTEM

The Philadelphia Naval Shipyard is charged with the fabrication, repair and overhaul of many of the Navy's most sophisticated and important assets. Despite the importance of the Shipyard's mission, the Navy has been slow to program critical military construction projects for the Philadelphia Naval Shipyard into its military construction budget.

The committee is concerned about ensuring timely basic upgrades in the Shipyard's capabilities. The committee recognizes that an urgent need exists for modernization of the Philadelphia Naval Shipyard's water distribution system. Improvements in this capability are necessary to bring the fire fighting capabilities of the Shipyard up to acceptable levels, to improve the potable water distribution system, and to ensure proper water distribution to the major industrial areas along the waterfront.

The committee therefore instructs the Navy to include this project, at a cost of $13 million in its fiscal year 1988 military construction request.

NAPLES, ITALY, RELOCATION OF THE NAVY SUPPORT ACTIVITY

The Navy requested $66.9 million to begin the relocation of the Naval Support Activity from the Agnano area of Naples, Italy, to the Capau area 25 miles northeast of the present location. This amount includes $18 million for Phase I for construction of the Command, Control and Communications and Intelligence Complex; $29.3 million for a new replacement hospital; and $19.6 million for elementary and high school buildings. The total construction costs are estimated to be $226.6 million including $34 million in non-appropriated funds; however, the total cost is expected to reach almost $300 million when relocation costs are included. In addition to the above, the new installation would include such projects as 10 flag officer quarters, an exchange and commissary, bachelor enlisted quarters, bachelor officer quarters, and a Navy lodge. The land, 254 acres, would be provided by the Government of Italy.

The committee recommends all funds for the new base be denied. At a time when the defense budget is being drastically reduced, the committee does not believe construction should be initiated for a new naval base overseas. The committee is also concerned over the conflicting testimony received regarding the seismic danger, security of the new base, and the benefits derived from relocating this complex.

The committee, therefore, directs the General Accounting Office to provide the committee with a report on the comparison of the seismic threat at the two locations, an analysis of the cost of relocating versus staying in leased space and upgrading the facilities, and an analysis of the security issues raised during the hearings.

NAVAL SHIPYARD, MARE ISLAND, CALIFORNIA, SEWAGE TREATMENT FACILITY

The committee is concerned that the Navy did not request funds in the fiscal year 1987 budget for its share of the construction cost for the additional sewage treatment plant presently being constructed by the Vallejo Sanitation and Flood Control District. This sewage treatment plant will also serve the Mare Island Naval Shipyard. Construction, including that serving the Navy, has been initiated by the District without the availability of the Navy's funds in order to meet State water quality standards by July 1, 1988, as mandated by Federal law.

The Secretary of the Navy has stated that it is Navy policy to fund such projects after the construction has been completed. Funds for this purpose have, therefore, been included in the Navy's military construction budget for fiscal year 1988. The committee fully expects that such funds, including interest, will be retained in the Navy's military construction budget request for fiscal year 1988 so that funding will be available to the District upon completion of the sewage treatment plant.

EL TORO MARINE CORPS AIR STATION, CALIFORNIA, RUNWAY EXTENSION

The committee, concerned with the safety and environmental deficiencies at El Toro Marine Corps Air Station, California, directed the Secretary of the Navy to include in the fiscal year 1987 military construction program an extension to runway 16R/34L. In 1976, the Air Installation Compatible Use Zone (AICUZ) and the Accident Potential Zone (APZ) reports cited the need to extend this runway. Updated AICUZ/APZ analyses in 1981 reaffirmed that this runway extension would improve military and civilian safety as well as allow for continued proper planning and development by local civilian agencies. Local zoning for development adjacent to El Toro was approved in accordance with these two reports, and construction, approved by local agencies consistent with the AICUZ and which conflicts with the current runway configuration, is proceeding at this time.

A committee precondition for the consideration of a project is that it be at least at the 35 percent design level by the date that the Military Construction Program is submitted to Congress. The Navy initiated an in-house design that reduced the time and cost of preparing the design; however, the 35 percent design level was reached shortly after the budget was submitted. Due to the large size of the reductions the committee had to make in the budget as submitted, the committee's decision not to add any projects to the Military Construction Program precluded the addition of this runway extension.

Because this project is now nearing the 100 percent design level and in order to maintain the highest standards of safety and environment, the committee views this runway extension as a top priority and expects the Secretary of the Navy to undertake this project at the earliest possible time.

TACAMO BASING

The Navy is in the process of selecting Navy and Air Force bases to station its E-6A Electronic Communications Aircraft (TACAMO). If Little Rock Air Force Base, Jacksonville, Arkansas, is chosen for the TACAMO mission, the Navy is authorized to begin design of a hangar that would be necessary for the mission.

CONCORD NAVAL WEAPONS STATION, CALIFORNIA, DEFENSE ACCESS ROAD

The committee approved $830,000 in fiscal year 1984 to offset the impact associated with the imminent closure of the Port Chicago Highway and Waterfront Road in Contra Costa County, California because of their location within the explosive safety arc of the station. At that time the committee was informed that the cost of this project had increased to $2,050,000. In fiscal year 1985 the committee approved an additional $500,000 for the project.

This year the committee extended the authorization for the fiscal year 1985 project, but is concerned that little has happened in the last three years. The road has not been closed nor has an agreement been reached with the county on mitigating the matters associated with the proposed closure. The Secretary of the Navy is urged to take whatever action is necessary to resolve this matter without further undue delay so as to minimize disruptions in the traffic flow resulting from the closure of the highway.

TITLE III—AIR FORCE

The Air Force requested authorization of $2,563,229,000. The committee, after careful review and consideration of the Air Force request, recommends authorization of $2,206,440,000 for the following programs:

	Air Force request	Total authorization	Less amounts not authorized for appropriation	Total authorized for appropriation
Military construction:				
Inside the United States	$993,032,000	$844,512,000	[1] −9,470	$835,042,000
Outside the United States	533,828,000	347,158,000		347,158,000
Architectural and engineering services	127,260,000	127,260,000		127,260,000
Unspecified minor construction	16,000,000	16,000,000		16,000,000
Defense access roads	32,700,000	32,700,000		32,700,000
Total military construction	1,702,820,000	1,367,630,000	−9,470	1,358,160,000
Military family housing:				
Construction	109,000,000	108,840,000		108,840,000
Support	751,409,000	739,440,000		739,440,000
Total family housing	860,409,000	848,280,000		848,280,000
Grand total, Air Force authorization	2,563,229,000	2,215,910,000	−9,470	2,206,440,000

[1] Authorized to be accomplished with FY 86 and prior appropriated energy funds. Not authorized for appropriation.

MILITARY CONSTRUCTION OVERVIEW

The Air Force's authorization request for military construction and the committee's recommendations are as follows:

MAJOR COMMAND SUMMARY

[In thousands of dollars]

Major command	Air Force Request	Committee approved
Inside the United States:		
Air Force Logistics Command	170,805	131,805
Air Force Systems Command	34,500	27,120
Air Training Command	60,160	38,890
Air University	8,210	8,210
Alaskan Air Command	66,910	58,710
Military Airlift Command	113,425	80,725
Pacific Air Forces	5,850	4,700
Space Command	22,150	17,160
Special project	37,056	37,056
Strategic Air Command	277,016	254,676
Tactical Air Command	191,130	163,370
United States Air Force Academy	5,820	12,620
Total, inside the United States	993,032	835,042

MAJOR COMMAND SUMMARY—Continued

[In thousands of dollars]

Major command	Air Force Request	Committee approved
Outside the United States:		
Military Airlift Command	17,050	17,050
Pacific Air Forces	146,845	74,575
Space Command	17,950	17,950
Strategic Air Command	7,600	7,600
Tactical Air Command	8,500	8,500
United States Air Forces in Europe	335,883	221,483
Total, outside the United States	533,828	347,158
Support:		
Unspecified minor construction	16,000	16,000
Architectural and engineering services	127,260	127,260
Defense access roads	32,700	32,700
Total support	175,960	175,960
Total military construction	1,702,820	1,358,160

FACILITY CATEGORY SUMMARY

[In thousands of dollars]

Facility category	Air Force request	Committee approved
Operational	414,710	271,670
Training	70,930	63,580
Maintenance/production	259,550	222,050
Research, development, test and evaluation	47,310	47,310
Supply	147,250	136,360
Administrative	138,330	86,580
Personnel housing/community support	286,410	220,850
Personnel housing	(219,220)	(162,600)
Community support	(67,190)	(58,250)
Utilities	145,600	126,500
Water pollution abatement	7,300	7,300
Energy	9,470	0
Minor construction	16,000	16,000
Architectural and engineering services	127,260	127,260
Defense access roads	32,700	32,700
Total, military construction	1,702,820	1,358,160

POLLUTION ABATEMENT

The committee recommends authorization of $7,300,000 for two pollution abatement projects. The projects are listed at the appropriate place in the state list.

ENERGY CONSERVATION INVESTMENT PROGRAM

The Air Force requested authorization of $9,470,000 for nine energy conservation investment program (ECIP) projects. The Air Force is directed to use available prior year appropriations for these projects. The committee recommends authorization without appropriation of funds for the following projects:

[In thousands of dollars]

Location and project	*Amount*
Davis Monthan Air Force Base, AZ: Alter heat/ventilation/air-conditioning	230
Tyndall Air Force Base, FL: Facility energy improvements	600
Andrews Air Force Base, MD: Alter lighting systems	430
Wurtsmith Air Force Base, MI: Boiler improvements	320
Keesler Air Force Base, MS: Facility energy improvements	1,970
Offutt Air Force Base, NE: Facility energy improvements	2,680
Minot Air Force Base, ND: Alter heating systems	250
Langley Air Force Base, VA: Upgrade heating system	1,640
Fairchild Air Force Base, WA: Weatherization	1,350
Total	9,470

DEFENSE ACCESS ROADS

The Air Force requested $32,700,000 for defense access roads. The committee recommends authorization of $32,700,000 at the following installations:

[In thousands of dollars]

Location and project	*Amount*
F.E. Warren Air Force Base, WY: Peacekeeper access road	14,500
Wright-Patterson Air Force Base, OH: Access road	15,000
Keesler Air Force Base, MI: Access road	3,200
Total	32,700

FAMILY HOUSING OVERVIEW

The Air Force's request for the family housing program and the committee's recommendations are as follows:

[In thousands of dollars]

Category	Air Force request	Committee approved
Construction:		
New family housing (523 units requested)	43,356	43,196
Post acquisition	58,644	58,644
Architect and engineer services	7,000	7,000
Total construction	109,000	108,840
Operation and maintenance (138,498 units):		
Operating expenses	356,584	344,615
Maintenance	307,684	307,684
Total operation and maintenance	664,268	652,299
Leasing:		
Foreign (9,200 units)	74,176	74,176
Domestic (463 units)	5,600	5,600
Total leasing	79,776	79,776
Debt payment:		
Principal	6,909	6,909
Interest and other expenses	206	206
Servicemen's mortgage insurance premiums	250	250
Total debt payment	7,365	7,365
Total Air Force family housing	860,409	848,280

CONSTRUCTION

New construction

The committee recommends authorization of $43,196,000 for 522 units at the following locations.

[Dollars in thousands]

Location	Units	Amount
La Junta Air Force Station, CO	40	4,000
Bitburg Air Base, Germany	332	26,415
Hahn Air Base, Germany	150	11,300
Beale Air Force Base, CA		[1] 180
Davis Monthan Air Force Base, AZ		[2] 300
McGuire Air Force Base, NJ		[2] 325
Pope Air Force Base, NC		[2] 300
Edwards Air Force Base, CA	24	[3] 376

[1] Housing Maintenance Shop (support).
[2] Housing Office (support).
[3] Mobile Home Park (pads).

Post acquisition construction

The committee recommends authorization of $58,644,000 for 55 projects at various locations, including 23 projects where the per unit cost for improvement and repair exceeds the statutory limitation of $30,000 times the area cost factor.

Architect and engineer services .

The committee recommends authorization of $7,000,000 for planning and design work for fiscal year 1987 and future year military family housing construction projects, both new and post acquisition.

OPERATION AND MAINTENANCE

The committee recommends authorization of $652,299,000 for family housing operations and maintenance for an estimated inventory of 138,498 housing units. Reimbursements are anticipated to be $18,000,000. The committee also recommends a reduction of $11,969,000 for utilities to reflect fuel savings.

LEASING

The committee recommends authorization of $74,176,000 for foreign leases and $5,600,000 for domestic leases.

DEBT PAYMENT

The committee recommends authorization of $7,365,000 for principal and interest payments on mortgaged Capehart and Wherry housing units and Servicemen's Mortgage Insurance premiums.

Summary Of Air Force Changes

A summary of the committee recommendations by project is as follows:

Location and Project	Dollars in Thousands
Total authorization request	2,563,229
Military construction:	
Total Air Force authorization request	1,702,820
Committee reductions:	
Kelly Air Force Base, TX:	
Weapons systems support center	39,000[1]
Edwards Air Force Base, CA:	
Alter avionics shop	2,300[1]
Eglin Air Force Base, FL:	
Fuel systems maintenance facility	1,650[2]
Fort MacArthur, CA:	
Alter personnel support facility	3,000[1]
Goodfellow Air Force Base, TX:	
Unaccompanied officer personnel housing	10,000[2a]
Keesler Air Force Base, MS:	
ECIP-Facility energy improvements	1,970[2]
Lackland Air Force Base, TX:	
Academic facility-security police	5,300[1]
Williams Air Force Base, AZ:	
Consolidated support facility	3,800[1]
Eielson Air Force Base, AK:	
Dining hall	5,700[1]
Library	2,500[1]

Scott AFB, IL:	
Add to and alter consolidated computer facility	7,800[4]
Andrews Air Force Base, MD:	
AF-1 maintenance and support complex	20,000[5]
ECIP-alter lighting sytems	430[3]
McChord Air Force Base, WA:	
Squadrons operations facility	4,900[1]
Hickam Air Force Base, HI:	
Vehicle operations/maintenance facility	1,150[1]
Peterson Air Force Base, CO:	
Troop subsistence storage facility	990[1]
Base supply warehouse-phase I	4,000[6]
Blytheville Air Force Base, AR:	
Petroleum operations facility	540[7]
F.E. Warren Air Force Base, WY:	
Peacekeeper-Launch facilities site work	5,000[8]
Fairchild Air Force Base, WA:	
ECIP-Weatherize	1,350[3]
Loring Air Force Base, ME:	
Acft parking apron-hydrant fueling system w/CASS prov-Ph I	12,200[9]
Minot Air Force Base, ND:	
ECIP-Alter heating systems	250[3]
Offutt Air Force Base, NE:	
ECIP-Facility energy improvements	2,680[3]

Wurtsmith Air Force Base, MI:	
ECIP-Boiler improvements	320[3]
Bergstrom Air Force Base, TX:	
Tactical air control center facility	3,390[1]
Davis Monthan Air Force Base, AZ:	
Aircraft processing apron (MASDC)	3,400[1]
ECIP-Alter heat/ventilation/air conditioning	230[3]
George Air Force Base, CA:	
Visiting personnel quarters	5,000[1]
Langley Air Force Base, VA:	
ECIP-Upgrade heating systems	1,640[3]
Myrtle Beach Air Force Base, SC:	
Aircraft corrosion control facilities	3,000[1]
Tyndall Air Force Base, FL:	
ECIP-Facility energy improvements	600[3]
West CONUS, ZI:	
OTH-B Radar Transmitter standby power line	10,500[10]
U. S. Air Force Academy, CO:	
Add to & alter security police facility	600[1]
Add to & alter cadet gymnasium	+7,400[27]

Clark Air Base, RP:	
Parallel runway	32,500[11]
Petroleum operations facility	1,650[11]
Fire station	760[11]
Cope Thunder operations facility	4,650[11]
Essential maintenance facilities-phase II	4,600[11]
Aerospace system branch/engine dispatch facility	1,050[11]
PORTOMOD warehouse	460[11]
Alter unaccompanied enlisted personnel housing	5,000[11]
Child care center	2,000[11]
Upgrade power plant-phase IV	8,600[11]
Diego Garcia Air Base, IO:	
Global positioning system internet facilities	3,900[12]
Vehicle storage and maintenance support	800[12]
Kunsan Air Base, KO:	
Add to aircraft apron	1,050[1]
Aircraft maintenance unit facility	1,800[1]
Osan Air Base, KO:	
Alter airmen dining hall	1,150[1]
Chapel center	2,300[1]

Alconbury Royal Air Force Base, UK:	
TR-1-Library	1,050[1/]
GLCM-Base theater	1,300[13/]
Bentwaters Royal Air Force Base, UK:	
Central post office	650[1/]
Recreation center	2,250[14/]
Camp New Amsterdam, NL:	
Add to and alter chapel	1,300[1/]
Add to base supply complex	2,450[15/]
Comiso Air Base, IT:	
GLCM-Arts and crafts shop	370[13/]
GLCM-Automotive hobby shop	410[13/]
Florennes Air Base, BE:	
GLCM-Commissary	3,500[13/]
GLCM-Exchange complex	2,850[13/]
GLCM-Automotive hobby shop	520[13/]
GLCM-Youth Center	750[13/]
Greenham Common Royal Air Force Base, UK:	
GLCM-Temporary living facility	2,100[13/]
Hahn Air Base, GE:	
Alternate launch/recovery surface (ALRS)	2,100[16/]
Post office	980[1/]
Hessisch Oldendorf Air Station, GE:	
Add/alter composite recreation center	2,000[17/]
Incirlik Air Base, TU:	
Visiting officer quarters	3,400[1/]
Post office	510[1/]

Lakenheath Royal Air Force Base, UK:	
Post office	1,200[1/]
Morocco:	
Petroleum resupply system	25,400[19/]
Pruem Air Station, GE:	
Composite recreation center	1,150[18/]
Ramstein Air Base, GE: Protected combat targeting center	36,000[1/]
Add/alter noncom officer academy (Kapaun)	1,850[1/]
Weapons storage & security system	800[20/]
Visiting officers quarters	3,000[1/]
San Vito Air Station, IT:	
Visiting officers quarters	2,450[1/]
Spangdahlem Air Base, GE:	
Post office	1,050[1/]
Torrejon Air Base, SP:	
Satellite communications ground terminal	1,450[21/]
Upper Heyford Royal Air Force Base, UK:	
Add to alter vehicle maintenance shop	2,300[1/]
Woensdrecht Air Base, NL:	
GLCM-Dining hall	1,600[22/]
Unaccompanied Enlisted Personnel Housing	1,920[25/]
Woodbridge Royal Air Force Base, UK:	
Supply warehouse	1,650[1/]

Zaragoza Air Base, SP:	
2nd echelon medical logistics storage facility	540[21/]
Zweibrucken Air Base, GE:	
Alternate launch & recovery surface (ALRS)	3,550[15/]
Total reductions	344,660
New military construction authorization	1,358,160
Family Housing:	
Total Air Force authorization request	860,409
Committee reductions:	
Osan Air Base, KO:	
Family housing, 1 unit	160[23/]
Utilities	11,969[24/]
Total reductions	12,129
New family housing authorization	848,280
Total military construction and family housing authorization for appropriation	2,206,440

1/ Defer-Budget constraints.
2/ Delete-Project authorized in 1986-Use prior year authorization.
3/ Use unobligated appropriation from prior year ECIP projects.
4/ Use FY 1986 authorization of $7.8 million-Partial reduction.
5/ The $45 million project was divided into two increments; $25 million for FY 1987 and $20 million for FY 88. The Air Force is to program $20 million in FY 1988.
6/ Defer-New start-Budget constraints.
7/ Delete-Project funded with FY 1986 unspecified minor construction funds.
8/ CWE reduced to $3.6 million-Direct Air Force to use cost variation authority.
9/ Defer-New start-Continue to use existing facility.
10/ Revised CWE reduced by $10.5 million.
11/ Defer-Questions regarding renewal of base rights agreement in 1988.
12/ Defer and combine with future projects to achieve economy of scale.
13/ Delete-alternate funding source.
14/ Defer-Questions regarding utilization-Recommend AF initiate study to determine utilization and cost/benefit.
15/ Defer-Low priority.
16/ Delete-Explore NATO funding.
17/ Delete-Question requirement-continue to use existing facility.
18/ Defer-Recommend AF initiate study to determine utilization and cost benefit.
19/ Defer-Memorandum of understanding has not been finalized between U.S. and Morocco.
20/ Delete-Project no longer required by AF.
21/ Defer-Pending outcome of discussions on troop reduction and base rights.
22/ No longer required-accomplish with FY 1986 funds.
23/ Defer-Pending DOD policy decision on statutory size limitation.
24/ Reduce by $11.969 million to reflect fuel savings (includes $1 million in unobligated FY 1986 funds).
25/ Reduce by $1.92 million-120 person UEPH constructed with FY 1986 funds.
26/ Defer without prejudice. Use $10.0M authorization to fund site preparation for replacement facility for Brooke Army Medical facility, San Antonio, Texas.
27/ AF had requested extension of authorization. Committee added the project for new authorization in lieu of an extension.

SPECIAL CONSIDERATIONS

EXPIRATION OF AUTHORIZATION

The committee does not recommend extending authorization for the following projects because they have failed to obtain appropriations for two consecutive years. The current authorization for these projects will expire October 1, 1986, or the date of the enactment of the Military Construction Act for fiscal year 1987, whichever is later:

[In thousands of dollars]

Location and project	*Amount*
United States Air Force Academy, CO: Gymnasium	10,000
Comiso Air Base, IT: GLCM—Clothing sales store	510
Florennes Air Base, BE: GLCM—library	570
Langley Air Force Base, VA: ASAT facilities	16,500

TITLE IV - DEFENSE AGENCIES

The Secretary of Defense requested authorization of $692,200,00 for fiscal year 1987 for the Defense Agencies. The committee recommends authorization of $516,403,000 for the following programs:

	Defense Agencies Request	Total Authorization	Total Authorized for Appropriation
Military Construction			
Inside the United States	$366,960,000	$172,580,000	$282,680,000
Outside the United States	166,540,000	115,660,000	115,660,000
Planning and Design	110,700,000	88,200,000	88,200,000
Conforming Storage Facilities	21,400,000	3,263,000	3,263,000
Unspecified Minor Construction	4,000,000	4,000,000	4,000,000
Secretary of Defense Contingency	5,000,000	5,000,000	5,000,000
Total Military Construction	674,600,000	388,703,000	498,803,000
Military Family Housing			
Construction, Improvements, and Design	270,000	270,000	270,000
Support	17,330,000	17,330,000	17,330,000
Total Family Housing	17,600,000	17,600,000	17,600,000
Grand Total, Defense Agencies	$692,200,000	$406,303,000	$516,403,000

Military Construction Overview

The Defense Agencies' authorization request for the military construction program and the committee's recommendation are as follows:

(Dollars in thousands)

	FY 1987 Request	Committee Approved
Defense Communication Agency	9,900	7,600
Defense Logistics Agency	60,850	24,013
Defense Mapping Agency	16,700	16,700
Defense Nuclear Agency	4,890	1,690
National Security Agency	71,270	51,200
Secretary of Defense Activities	391,290	300,400
Department of Defense Dependents Schools		
Overseas	(92,420)	(72,830)
Section 6	(17,380)	(17,380)
Defense Language Institute	(5,400)	(5,400)
Defense Medical Facilities Office	(249,500)	(194,400)
Joint Tactical Command, Control and Communications Agency	(9,890)	(9,890)
Strategic Defense Initiative Organization	(10,300)	(0)
Pentagon	(2,500)	(0)
Uniformed Services University Health Sciences	(900)	(900)
Classified Activities	(3,000)	(0)
OSD Contingency Construction	5,000	5,000
Minor Construction	4,000	4,000
Planning and Design	110,700	88,200
Total Military Construction	674,600	498,803

Family Housing Overview

The committee recommends authorization of $17,600,000 -- the amount requested for Military Family Housing to support the Defense Agencies. A summary of the committee's recommendations follows:

FAMILY HOUSING - DEFENSE AGENCIES

(Dollars in thousands)

	Defense Mapping Agency	Defense Intell. Agency	National Security Agency	Defense Logistics Agency	Total
New Construction	-	-	270	-	270
Improvements	-	-	-	-	-
Subtotal	-	-	270	-	270
Operation	24	1,993	578	199	2,794
Leasing	35	8,341	5,651	-	14,027
Maintenance	32	-	245	232	509
Subtotal	91	10,334	6,474	431	17,330
Total	$91	$10,334	$6,744	$431	$17,600

Summary of Defense Agencies Program Action

	(Dollars in Thousands)
Total Defense Agency Authorization Request	$692,200
Military Construction:	
Total Defense Agency Authorization Request	674,600
Committee Additions:	
Secretary of Defense Activities:	
Defense Medical Facilities Office	10,000
Committee Reductions:	
Defense Communication Agency	2,300
Defense Logistics Agency	36,837
Defense Nuclear Agency	3,200
National Security Agency	20,070
Secretary of Defense Activities	100,890
Department of Defense Dependent Schools	(19,590)
Defense Medical Facilities Office	(65,500)
Strategic Defense Initiative	(10,300)
Classified Activities	(3,000)
Pentagon, Virginia	(2,500)
Architect and Engineering Services	22,500
Total Reductions	185,797
New Military Construction Authorization	498,803
Family Housing:	
Total Defense Agency Authorization Request	17,600
New Family Housing Authorization	17,600
New Defense Agency Military Construction and Family Housing Authorization	$516,403

Summary of Defense Agencies Changes

A summary of the committee recommendations by project is as follows:

Location and project	(Dollars in Thousands)	
Total request	$692,200	
Military Construction:		
Total Defense Agencies Request	674,600	
Committee Additions:		
Fort Sam Houston, Texas:		
Brook Army Medical Center Site Preparation	10,000	12/
Committee Reductions:		
Pentagon, Virginia:		
DSSC Alteration/Expansion	2,300	1/
Parking Lot Demolition	2,500	9/
Mechanicsburg, Pennsylvania:		
Reutilization and Marketing Office improvements	1,290	1/
Ogden, Utah:		
Administration Facilities	9,780	1/
Transient and Visitor Housing	620	2/
Mukilteo, Washington:		
Fuel Pier	6,360	1/
Bitburg Air Base, Germany:		
Reutilization and Marketing Office	650	1/
Worldwide:		
Conforming Storage Facilities	18,137	3/
Naval Research Laboratory, Washington DC:		
Pulse Power Research Facility	3,200	4/

Fort Meade, Maryland:		
Research and Engineering Facility	15,700	5/
Road Improvements	4,370	1/
Fort Wainwright, Alaska:		
Medical and Dental Clinic	8,800	6/
Edwards Air Force Base, California:		
Rocket Propulsion Beryllium Facility	4,140	7/
Kauai, Hawaii:		
Missile Launch Complex	2,890	7/
Kirtland Air Force Base, New Mexico:		
Add/Alter Composite Medical Facility	25,550	8/
White Sands, New Mexico:		
Launch Complex	1,930	7/
Brooks Air Force Base, Texas:		
Add/Alter Drug Abuse Detection Lab	1,850	1/
Naples, Italy:		
Elementary and High School	19,590	10/
Hospital	29,300	10/
Kwajalein Island:		
Launch Complex	1,340	7/
Classified Location:		
Operations Facility, Land Acquisition	3,000	11/
Architect and Engineering Services	22,500	
Total Reductions	185,797	
New Military Construction Authorization	498,803	
Family Housing:		
Total Defense Agencies Request	17,600	
New Family Housing Authorization	17,600	
Total Military Construction and Family Housing	516,403	

1/ Defer - budget constraints

2/ Defer - use non-appropriated funds or third party financing

3/ Reduce request of $21.4 million by $18.137 million. Committee recommends authorization of $3.263 million for 6 specified projects which are included in the state list.

4/ Defer - recommend that joint use with other agencies be investigated.

5/ Reduce request of $53.7 million by $15.7 million. Only $38 million can be obligated in fiscal year 1987.

6/ Defer - Committee questions requirement for a Light Infantry Division at Fort Wainwright.

7/ Defer - low design status.

8/ Defer - Possibility of Veterans Administration and the Department of Defense sharing medical resources.

9/ Defer - low design - phase I of a $425 million project to move DOD personnel out of leased space.

10/ Defer for further study. Technical testimony differs, recommend a GAO study of the seismic factors involved.

11/ Delete - funds no longer required.

12/ Committee Add. A $10 million offsetting reduction was made in the Air Force title

SPECIAL CONSIDERATIONS

CONFORMING STORAGE FACILITIES

The budget request contained $21.4 million for the construction of conforming storage facilities at various worldwide locations. These facilities would be buildings for the storage of hazardous waste materials. The Defense Logistics Agency, as the single manager for the disposal for all hazardous waste materials for the services, is required to comply with the Resource Conservation and Recovery Act (RCRA) and all other Federal and state requirements while processing hazardous materials for resale or disposal. Since 1980, all hazardous waste facilities in the United States must obtain an Environmental Protection Agency (EPA) permit for operation prior to construction. With enactment of the Hazardous and Solid Waste Amendments of 1984, EPA's authority on the management of hazardous waste facilities was broadly expanded which increased the permit requirements in terms of required documentation and the length of time needed to obtain the permit.

In addition to the request for funds for the construction of conforming storage facilities, the Administration also requested that the provisions of RCRA, which require the issuance of a permit prior to construction, be removed. This would allow the department to construct the facilities while the permit application is under consideration; however, the operation of the completed facility would not commence until the final permit was issued. The committee believes that the provisions of RCRA were instituted for the maximum protection of the environment and the public and should, therefore, not be changed.

The request for $21.4 million is intended to construct conforming storage facilities as the required permits become available. The Defense Logistics Agency provided the committee with a list of 69 separate projects that could possibly be constructed in fiscal year 1987, and a list of 21 separate projects that are programmed for fiscal year 1988 that could be accelerated into fiscal year 1987. The start of all of these projects would be contingent on the issuance of a permit. Of the 90 total separate projects, only 10 of these projects have requested a permit and are at the 35 percent design level. Of these 10 projects, 4 are estimated at less than $200,000. The committee also notes that 9 of the 90 projects listed are in foreign countries where RCRA permit requirements do not apply.

The committee, therefore, recommends that the 6 projects on the list that are at the 35 percent design level and for which a permit has been requested be specifically authorized by line item in section 2401. The committee also recommends that the other 4 projects that are less than $200,000 be accomplished through the unspecified minor construction account. The committee does not question the need for these hazardous waste storage facilities; however, it is doubtful that the projects that have not reached the 35 percent design level and for which a permit has not yet been requested could be started in fiscal year 1987. The committee further recommends that when the permits for the remaining needed facilities are issued, the department submit these as individual constructions projects.

The committee has been informed that the Defense Department intends this year to issue new policy directives concerning the storage and disposal of hazardous waste by the services. The committee further understands that these new directives will place more emphasis on the individuals installations, which are the generators of hazardous waste, to reduce the amount of wastes and treat or dispose of wastes at the local installation level. The committee supports this concept and would hope that this initiative could reduce the number of required conforming storage facilities.

Therefore, as a result of this new Department of Defense policy, the committee directs the Secretary of Defense to provide the committee within four months of the enactment of this Act or by April 1, 1987, whichever is earlier, a cost benefit analysis and any other justification for the construction of Conforming Storage Facilities versus a comprehensive program by the individual services and installations to reduce hazardous waste through increased use of industrial waste treatment plants, recycling, reuse, substitution, rapid disposal, and greater reliance on the use of interim storage facilities, that can safely store hazardous materials and waste for up to 90 days.

PENTAGON ANNEX

The budget request contained $22.5 million for architectural and engineering services to initiate design on additional administrative space adjacent to the Pentagon, as well as $2.5 million to demolish a parking lot on the Pentagon grounds. The committee recommends that both requests be denied.

The committee agrees with the policy of the Department of Defense to move activities out of expensive leased space and into less costly government-owned space. Presently the Department of Defense is paying approximately $50 million annually in Standard Level User Charges (SLUC) to the General Services Administration (GSA) for leasing the Pentagon. The committee is concerned that this funding is being used inefficiently because military construction funds have been needed to renovate and enlarge administrative space in the Pentagon (owned by GSA).

Although the committee supports the department's requirement for an additional three million net usable square feet of administrative space to be located in government-owned facilities on the Pentagon reservation, the committee is concerned over potential traffic and parking problems in the area.

The committee is also concerned that the Department of Defense may be charged Standard Level User Charges (SLUC) by the General Services Administration (GSA) for this and other space provided through military construction funds. Accordingly, the committee directs the Secretary of Defense to only pay for actual services received from GSA in such space. The committee further directs that consideration be given to placing such space under the full control of the Department of Defense.

BROOKE ARMY MEDICAL CENTER, SAN ANTONIO, TEXAS

In compliance with the military construction authorization act for fiscal year 1985 (P.L. 98-407), design of a 450 bed replacement facility for the Brooke Army Medical Center at San Antonio, Texas has progressed to the 35% level required by the committee. Because of the urgent requirement for this replacement facility, the committee recommends deferral of a $10 million project to provide unaccompanied officer housing at Goodfellow Air Force Base to offset the $10 million authorized to begin site preparation for the 450 bed hospital.

TITLE V—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

The administration requested authorization of $247,000,000 for the U.S. contribution to the NATO common funded infrastructure fund in fiscal year 1987. The committee recommends authorization of $247,000,000.

In addition, the committee included a provision (sec. 2504) that would prohibit the obligation or expenditure of appropriations after fiscal year 1987 for the U.S. contribution to the NATO infrastructure fund unless two specific conditions are met.

First, the Secretary of Defense must submit a comprehensive master plan for establishing active air defense for air bases used by the United States in Europe and logistic support complexes, including POMCUS sites (pre-positioned overseas material configured to unit sets) and maritime supply ports. Second, the Secretary must submit a report to the Committees on Armed Services of the Senate and the House of Representatives certifying that sufficient funds have been budgeted in the fiscal year 1988 five year defense plan to accomplish the objectives of the master plan.

The committee strongly supports the NATO infrastructure program. It is concerned, however, with an apparent lack of commitment and inattention to implementing a comprehensive air defense program for both main and collocated operating bases, POMCUS sites and maritime supply centers. The committee has initiated a number of bilateral cooperative air defense initiatives, U.S.-FRG, U.S.-U.K. and U.S.-Turkey. In fact, since fiscal year 1981, the committee has recommended authorization of an additional $697 million to support these initiatives. This action has been necessary because there has been no consistent support for these efforts in the development of the annual defense budget requests.

Because U.S. strategy for NATO is heavily dependent on timely reinforcements and augmentation of existing forces and deployment, the necessary receiving and support facilities must be protected adequately. Without such facilities, U.S. responses to NATO crises are severely hampered.

The committee, therefore, expects the Department of Defense to comply with section 2504 in a timely fashion.

TITLE VI—GUARD AND RESERVE FORCES FACILITIES

The administration requested authorization of $451,200,000 for the Reserve components. The committee recommends authorization of the full amount of $451,200,000.

GUARD AND RESERVE FORCES FACILITIES

[In thousands of dollars]

	Enacted FY 1986	Requested FY 1987	Committee approved
Army National Guard	149,101	121,100	121,100
Major construction	(87,822)	(97,453)	(97,453)
Minor construction	(48,917)	(4,647)	(4,647)
Planning and design	(12,362)	(19,000)	(19,000)
Army Reserve	70,700	86,700	86,700
Major construction	(55,295)	(74,300)	(74,300)
Minor construction	(5,800)	(1,100)	(1,100)
Planning and design	(9,600)	(11,300)	(11,300)
Naval and Marine Corps Reserve	51,800	44,500	44,500
Major construction	(46,060)	(37,700)	(37,700)
Minor construction	(1,540)	(1,500)	(1,500)
Planning and design	(4,200)	(5,300)	(5,300)
Air National Guard	139,000	140,000	140,000
Major construction	(121,400)	(122,450)	(122,450)
Minor construction	(8,000)	(2,130)	(2,130)
Planning and design	(9,600)	(15,420)	(15,420)
Air Force Reserve	70,650	58,900	58,900
Major construction	(62,250)	(49,760)	(49,760)
Minor construction	(3,400)	(2,580)	(2,580)
Planning and design	(5,000)	(6,560)	(6,560)
Total	481,251	451,200	451,200
Major construction	(372,827)	(381,663)	(381,663)
Minor construction	(67,657)	(11,957)	(11,957)
Planning and design	(40,767)	(57,580)	(57,580)

The following summary represents the status of lump sum authorization provided continuously since the Guard and Reserve Forces facilities program reverted to this method of authorization in 1963:

RESERVE FORCES FACILITIES—ESTIMATED STATUS OF LUMP SUM AUTHORIZATION [1] AS OF MAR. 1, 1986

[In thousands of dollars]

	Army		Naval and Marine Corps Reserve	Air Force		Total
	National Guard	Reserve		National Guard	Reserve	
Lump sum authorization (cumulative fiscal years 1963–85)	892,431	683,657	469,515	696,490	387,397	3,129,490
Estimate of authorization to be committed through fiscal year 1986	832,228	666,903	452,714	677,140	382,397	3,010,382
Uncommitted balance	60,203	16,754	16,801	19,350	5,000	118,108
Added by present bill	121,100	86,700	44,500	140,000	58,900	451,200
Total available, fiscal year 1987	181,303	103,454	61,301	159,350	63,900	569,309
Estimated commitments in fiscal year 1987	121,100	86,100	44,500	140,000	58,900	450,600
Estimated residual authorization, end fiscal year 1987	60,203	17,354	16,801	19,350	5,000	118,708

[1] Figures include planning and design and minor construction for fiscal year 1984–87 in accordance with P.L. 97–214.

SUMMARY OF GUARD AND RESERVE FORCES PROGRAM ACTION

[In thousands of dollars]

	Fiscal year 1987 budget request	Committee approved
Army National Guard	121,100	121,100
Army Reserve	86,700	86,700
Navy and Marine Corps Reserve	44,500	44,500
Air National Guard	140,000	140,000
Air Force Reserve	58,900	58,900
Total	451,200	451,200

SPECIAL CONSIDERATIONS

ALLOCATION OF FUNDING FOR NATIONAL GUARD AND RESERVE PROJECTS

For the past several years, the Congress has placed a great deal of emphasis on increasing the roles and missions of the National Guard and Reserve forces as a cost-effective means of providing for a significant share of the nation's defense. As a part of this emphasis, Congress has helped ensure that the Reserve components receive increased manning and equipment commensurate with their expanded missions. As a result, a corresponding need has arisen for an increase in military construction projects required to accommodate these changes.

The committee has noted that the annual military construction budget request submitted by the Administration in recent years has been totally inadequate to meet the needs of the reserves. The fiscal year 1987 budget request was no exception, providing the Reserve components with only 6 percent of the total military construction dollars (excluding family housing).

Although Congress has attempted to increase construction funding for the Guard and Reserves by adding money for specific projects or categories of projects, large backlogs remain and continue to increase each year. For example, the Army National Guard has a backlog of projects that has grown almost 60 percent (from $1.02 billion to $1.60 billion) in just one year. The other reserve components are experiencing similar growth in project backlogs.

The committee does not believe that Congressional additions to the budget request are the appropriate means of addressing these critical shortfalls. Accordingly, the committee refused to consider what it knew to be many critically needed National Guard and Reserve projects. Instead, the committee added legislative language which requires that future budget submissions provide the Guard and Reserve with no less that ten percent of the total military construction funds requested.

Hopefully this National Guard and Reserve funding requirement will help begin to eliminate the excessive project backlogs which have resulted from years of failure on the part of the Defense Department to provide an equitable distribution of funds between the active and the reserve components. Failure to comply with the requirement will mean a reordering of submitted projects to achieve such a distribution.

CALUMET, MICHIGAN NATIONAL GUARD ARMORY

During hearings, the committee learned of the immediate need to alter a National Guard armory in Calumet, Michigan at a cost of $140,000. The committee directs the National Guard to proceed with construction using funds from the Guard's minor construction account to pay for the project.

FEASIBILITY STUDY, SAN MIGUEL COUNTY, NEW MEXICO

The committee directs the Secretary of Defense to conduct a study to determine the feasibility of locating a regional National Guard computer training center in San Miguel County in New Mexico.

The Secretary is directed to submit the findings and conclusions of the study to the Committee on Armed Services of the Senate and the House of Representatives no later than January 31, 1987.

TITLE VII—GENERAL PROVISIONS

Expiration of Authorizations

SECTION 2701—EXPIRATION OF AUTHORIZATIONS

Section 2701 would provide for the expiration of all authorizations contained in Titles I, II, III, IV, V, and VI for military construction projects, land acquisition, family housing, and contributions to the NATO infrastructure program on October 1, 1988, or the date of enactment of the Military Construction Authorization Act for fiscal year 1989, whichever is later.

Military Construction Program Provisions

SECTION 2711—CODIFICATION OF CERTAIN AMOUNTS REQUIRED TO BE SPECIFIED BY LAW

Section 2711 would codify into permanent law annual recurring provisions that impose limitations and reporting requirements on minor construction projects, architectural and engineering services, and family housing.

SECTION 2712—FAMILY HOUSING IN FOREIGN COUNTRIES

Section 2712 would amend section 2828(e)(1) of title 10, United States Code, to increase the number of high cost family housing leases at overseas locations by 20 units. The increase is required because the recent decline of the dollar against foreign currencies has caused a greater number of foreign leases to bump up against the statutory annual rental ceiling.

SECTION 2713—PLANNING AND DESIGN

Section 2713 would authorize split funding for planning and design. The committee understands that the Committees on Appropriations of the Senate and the House of Representatives have imposed limits on split year funding; however, planning and design funds must be used for levels of design for projects authorized in more than one fiscal year. This provision would grant such authority to the military departments.

Real Property Transactions

SECTION 2721—PROPERTY MANAGEMENT

Section 2721 would authorize the transfer of 235 acres of excess real property located near Beltsville, Maryland, from the General Services Administration to the Department of the Army in accordance with the provisions of section 202 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483).

SECTION 2722—AUTHORIZATION OF LAND CONVEYANCE TO THE CITY OF ARCADIA, CALIFORNIA

Section 2722 would authorize the County of Los Angeles, California, to convey certain land to the City of Arcadia, California, on the condition that the land shall revert to the United States if it is used for purposes other than public park, playground, and recreation purposes.

Miscellaneous

SECTION 2731—PROHIBITION OF FUNDING FOR CERTAIN MILITARY CONSTRUCTION CONTRACTS IN GUAM

Section 2731 would prohibit the obligation or expenditure of funds under any contract for a military construction project on Guam if any work is carried out by an alien who is on Guam on a work visa.

This prohibition would not apply in any case where no acceptable bid is made in response to a solicitation and the Secretary concerned determines that the prohibition is a significant deterrent to obtaining bids.

SECTION 2732—POSTAL FACILITIES

Section 2732 would repeal sections 4779(b) and 9779(b) of title 10, United States Code, which prohibits the U.S. Postal Service from providing postal facilities on Army and Air Force bases to serve military personnel.

SECTION 2733—REPORT

Section 2733 would direct the Secretary of the Army to submit to Congress, within 45 days of enactment, a request to lease temporary facilities in Rio Rancho, New Mexico, in support of a Hawk Missile Battalion to be permanently located there.

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
ALABAMA				
	ARMY			
		ANNISTON ARMY DEPOT		
		SECURITY UPGRADE	1,950	1,950
		FORT MCCLELLAN		
		CHILD DEVELOPMENT CENTER	540	540
		REDSTONE ARSENAL		
		MICROWAVE/MILLIMETER WAVE SIMULATOR	19,500	19,500
		FORT RUCKER		
		AERIAL GUNNERY RANGE	17,500	17,500
		STAGEFIELDS	27,000	27,000
	AIR FORCE			
		GUNTER AFB		
		ALTER ELECTRICAL DISTRIBUTION SYSTEM	2,900	2,900
		MAXWELL AFB		
		ADD-ALTER ACADEMIC FACILITY (ACSC)	1,700	1,700
		CHAPEL ANNEX	510	510
		VEHICLE MAINTENANCE COMPLEX	3,100	3,100
	DEFENSE LEVEL ACTIVITIES			
		FORT MCCLELLAN		
		ELEMENTARY SCHOOL ADDITION	2,830	2,830
	ARMY NATIONAL GUARD			
		FORT MCCLELLAN		
		STATE MILITARY ACADEMY-GENERAL INSTR BLDG	825	825
		MONTGOMERY		
		U.S. PROPERTY & FISCAL OFFICE ADDITION	360	360
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	375	375
	NAVY RESERVE			
		NMCRC MOBILE		
		VEHICLE MAINT FACILITY	250	250
		RNMCB-24 REDSTONE ARSENAL		
		OPERATIONAL STORAGE FACILITY RNMCB-24	175	175
TOTAL: ALABAMA		--	79,515	79,515

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
ALASKA				
	ARMY			
		FT J M WAINWRIGHT		
		BARRACKS MODERNIZATION	21,000	0
		CHILD DEVELOPMENT CENTER	11,000	0
		DINING FACILITIES	16,500	0
		TACTICAL EQUIPMENT SHOP	30,000	0
		TACTICAL EQUIPMENT SHOP	9,900	0
		TACTICAL EQUIPMENT SHOP	7,300	0
		UTILITIES EXPANSION	31,000	0
		FAMILY HOUSING NEW CONSTRUCTION (150)	33,000	0
		FORT RICHARDSON		
		BARRACKS MODERNIZATION	11,200	0
	NAVY			
		NAVAL AIR STATION ADAK		
		CONSTRUCTION MANAGEMENT FACILITY IMPROVES	500	0
		RADAR SUPPORT FACILITIES	24,400	24,400
		NAVAL FACILITY ADAK		
		TERMINAL BUILDING ADDITION	5,700	5,700
		NAVAL SECURITY GROUP ACTIVITY ADAK		
		OCEAN SURVEILLANCE BUILDING	13,400	13,400
		WATER DISTRIBUTION SYSTEM IMPROVEMENTS	1,200	1,200
	AIR FORCE			
		EIELSON AFB		
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	2,800	2,800
		DINING HALL	5,700	0
		FIRE PROTECTION-FLIGHTLINE	2,150	2,150
		HAZARDOUS MATERIALS STORAGE	3,450	3,450
		LIBRARY	2,500	0
		LOOP ACCESS ROAD	3,200	3,200
		SECURITY FENCE	990	990
		ELMENDORF AFB		
		BATTERY SHOP	1,500	1,500
		ELECTRICAL DISTRIBUTION SYSTEM ALTERATION	1,670	1,670
		SECURITY POLICE FACILITY	5,000	5,000
		GALENA AIRPORT		
		ADD TO-ALTER POWER PLANT	4,000	4,000
		UNACCOMPANIED PERSONNEL HOUSING	7,600	7,600
		KING SALMON AFB		
		UNACCOMP OFFICER PERSONNEL HOUSING	4,050	4,050

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		SHEMYA AFB		
		ADD-ALTER WATER SYSTEM-PHASE I	4,200	4,200
		DIESEL STORAGE TANKS	15,500	15,500
		SOLID STATE UNINTERRUPT POWER SUPPLY SPT	2,600	2,600
	DEFENSE LEVEL ACTIVITIES			
		FORT WAINWRIGHT		
		TROOP MEDICAL CLINIC	8,800	0
	ARMY NATIONAL GUARD			
		ANCHORAGE		
		CSMS SEWER LINE EXTENSION	204	204
		U.S. PROPERTY & FISCAL OFFICE IMPROVEMENTS	144	144
		ANGOON		
		SCOUT ARMORY	184	184
		SAVOOGNA		
		SCOUT ARMORY EXPANSION	193	193
TOTAL: ALASKA			292,535	104,135
ARIZONA				
	ARMY			
		FORT HUACHUCA		
		COMMUNICATION TEST FACILITY	5,600	5,600
		ELECTRONIC TEST AND EVALUATION CENTER	3,400	3,400
		GENERAL INSTRUCTION BUILDING	8,200	8,200
		NAVAJO ARMY DEPOT		
		SECURITY UPGRADE	3,900	3,900
		YUMA PROVING GROUND		
		CHILD DEVELOPMENT-RELIGIOUS ED FACILITY	820	820
	NAVY			
		MARINE CORPS AIR STATION YUMA		
		ARMORY	640	640
		CONSTRUCTION MANAGEMENT FACILITY	450	450
		ENGINE MAINTENANCE FACILITY MODIFICATIONS	300	300
		MAINTENANCE HANGERS ADDITIONS	2,650	2,650
		MARINE AIR CONTROL SQUADRON FACILITY	2,950	2,950
		TACTICAL SUPPORT VAN PADS	1,870	1,870
	AIR FORCE			
		DAVIS-MONTHAN AFB		
		AIRCRAFT PROCESSING APRON (MASDC)	3,400	0

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		BASE CIVIL ENGINEER ADMINISTRATION FAC	2,600	2,600
		CONTROL TOWER	2,400	2,400
		ECIP-ALTER HEAT-VENTILATION-AIR COND	230	0 1/
		GLCM-CONSOLIDATED STORAGE	1,900	1,900
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	5,300	5,300
		HOUSING MANAGEMENT OFFICE	300	300
		HOLBROOK		
		STR-PURCHASE UEPH-LAND ACQUISITION	630	630
		LUKE AFB		
		JP-4 VAPOR INCINERATION SYSTEM	1,350	1,350
		MEDICAL WAR RESERVE MATERIAL FACILITY	720	720
		NONDESTRUCT INSPECTION FACILITY	740	740
		SMALL AIRCRAFT MAINTENANCE DOCKS	6,380	6,380
		F15E-ADD/ALTER FLIGHT SIMULATOR FAC	7,200	7,200
		F15E-ALTER FAC FOR F-15 FLIGHT ACADEMIC FAC	1,200	1,200
		F15E-FIELD TRAINING DETACHMENT FAC	2,800	2,800
		F15E-FUEL TANK STORAGE FACILITY	650	650
		F15E-SQUADRON OPERATIONS FACILITY	3,100	3,100
		WILLIAMS AFB		
		CONSOLIDATED SUPPORT FACILITY	3,800	0
		FLIGHT SIMULATOR RESEARCH FACILITY	4,900	4,900
	JOINT TACTICAL C3 AGENCY			
		FORT HUACHUCA		
		COMMUNICATIONS TEST FACILITY	9,890	9,890
	ARMY NATIONAL GUARD			
		PHOENIX		
		RANGES, RIFLE BAFFLED	210	210
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	390	390
	AIR NATIONAL GUARD			
		TUCSON IAP		
		COMPOSITE ACFT MAINT FACS-PARKING APRON	12,440	12,440
	AIR FORCE RESERVE			
		LUKE AFB		
		FUEL SYSTEM MAINTENANCE HANGAR	2,100	2,100
TOTAL: ARIZONA		--	105,410	97,980
ARKANSAS				
	AIR FORCE			

1/ authorized to be funded with prior year energy savings

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		BLYTHEVILLE AFB		
		ADD-ALTER TARGET INTELLIGENCE FACILITY	820	820
		ALTER TAXIWAYS	2,000	2,000
		PETROLEUM OPERATIONS FACILITY	540	0
		SECURITY IMPROVEMENTS	1,050	1,050
		LITTLE ROCK AFB		
		ADD-ALTER FUEL SYSTEMS MAINT DOCKS	2,750	2,750
	ARMY NATIONAL GUARD			
		ARKADELPHIA		
		ARMORY ADD-ALT	584	584
		CAMP ROBINSON		
		DINING FACILITY, MILITARY ACADEMY	221	221
		GENERAL INSTRUCTION BUILDING	297	297
		RANGE, 25M BASIC-NIGHT FIRE	166	166
		RANGE, 50 CALIBER SCALED	107	107
		RANGE, RECORD FIRE	305	305
		WASTEWATER SYSTEM IMPROVEMENT	711	711
		WATER SYSTEM IMPROVEMENT	454	454
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	250	250
	AIR NATIONAL GUARD			
		FT SMITH MAP		
		ADD-ALTER JET FUEL STORAGE COMPLEX	570	570
	ARMY RESERVE			
		CAMP ROBINSON		
		WATER SYSTEM IMPROVEMENT	150	150
		FORT CHAFFEE		
		ARMY RESERVE CENTER	2,600	2,600
		NORTH LITTLE ROCK		
		ARMED FORCES RESERVE CENTER-MAINT FAC	7,486	7,486
TOTAL: ARKANSAS		--	21,061	20,521
CALIFORNIA				
	ARMY			
		FT IRWIN		
		GENERAL PURPOSE WAREHOUSE	2,050	0
		TROOP STAGING AREA	820	820
		FAMILY HOUSING-MOBILE HOME SPACES (38)	730	730

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INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		FORT ORD		
		FLIGHT SIMULATOR BUILDING	2,100	2,100
		PHYSICAL FITNESS TRAINING CENTER	4,450	4,450
		FAMILY HOUSING NEW CONSTRUCTION (385)	34,000	3,400
		PRESIDIO OF SAN FRANCISCO		
		BARRACKS	5,100	0
		SIERRA ARMY DEPOT		
		SECURITY UPGRADE	2,450	2,450
	NAVY			
		COMBAT SYS TECH SCHOOLS CMD MARE ISLAND		
		COMBAT SYSTEMS MAINTENANCE TRAINING FAC	5,200	5,200
		FLEET INTELL TRNG CENTER PAC SAN DIEGO		
		INTELLIGENT TRAINING BUILDING	6,220	6,220
		FLEET TRAINING CENTER SAN DIEGO		
		WEAPONS TRAINING BUILDING	3,930	3,930
		MARCORP AIR-GRND COMB CTR TWENTYNINE PALMS		
		BACHELOR ENLISTED QUARTERS	22,600	17,600
		COMBINED ARMS TRAINER FACILITY	1,280	1,280
		ORGANIZATIONAL AUTOMOTIVE MAINT SHOP	9,820	9,820
		REGIMENTAL BATTALION OPERATIONS CENTER	3,930	3,930
		FAMILY HOUSING NEW CONSTRUCTION (392)	33,900	33,900
		FAMILY HOUSING-MOBILE HOME SPACES (75)	1,400	1,400
		MARINE CORPS AIR STATION CAMP PENDLETON		
		AIRCRAFT MAINTENANCE TRAINING BUILDING	1,080	1,080
		AIRCRAFT OPERATIONS BLDG AND CONTROL TOWER	2,160	2,160
		ELECTRONICS & COMMUNICATIONS MAINT SHOP	350	350
		ENGINE TEST CELL	3,240	3,240
		OIL SPILL PREVENSION	560	560
		ORDNANCE HANDLING PAD	3,060	3,060
		FAMILY HOUSING-MOBILE HOME SPACES (100)	1,800	1,800
		MARINE CORPS AIR STATION EL TORO		
		ENGINE MAINTENANCE SHOP ADDITION	1,370	1,370
		MAINTENANCE HANGAR MODERNIZATION	11,880	11,880
		MARINE CORPS AIR STATION TUSTIN		
		AIR TRAFFIC CONTROL SQUADRON FACILITY	2,450	2,450
		AIRCRAFT RINSE FACILITY	870	870
		ARMORY	790	790
		BACHELOR ENLISTED QUARTERS	10,800	10,800

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INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		MARINE CORPS BASE CAMP PENDLETON		
		BACHELOR ENLISTED QUARTERS	12,300	12,300
		BATTALION OPERATIONS CENTER	1,080	1,080
		COMBAT VEHICLE MAINTENANCE SHOP	4,320	4,320
		COMMUNICATIONS SUPPORT STOREHOUSE	2,650	2,650
		MESS HALL ADDITIONS AND MODERNIZATIONS	5,100	5,100
		OIL SPILL PREVENTION	1,180	1,180
		PARACHUTE AND SURVIVAL EQUIPMENT SHOP	2,160	2,160
		PHYSICAL FITNESS CENTER	2,850	2,850
		TRAINING SUPPORT CENTER	5,500	5,500
		MARINE CORPS RECRUIT DEPOT SAN DIEGO		
		SUPPLY COMPLEX	8,440	8,440
		NAVAL AIR STATION ALAMEDA		
		BERTHING PIER AND UTILITIES IMPROVEMENTS	17,675	17,675
		WATERFRONT SUPPORT FACILITY	950	950
		NAVAL AIR STATION LEMOORE		
		INDUSTRIAL WASTE TREATMENT FACILITY	980	980
		NAVAL AIR STATION MIRAMAR		
		AVIONICS SHOP ADDITION	3,240	3,240
		BACHELOR ENLISTED QUARTERS	13,200	9,200
		CONSOLIDATED BRIG	22,500	22,500
		HANGAR UTILITIES IMPROVEMENTS	350	350
		MAINTENANCE HANGAR ADDITION	5,110	5,110
		NAVAL AIR STATION MOFFETT FIELD		
		FAMILY HOUSING NEW CONSTRUCTION (126)	11,600	11,600
		NAVAL AMPHIBIOUS BASE CORONADO		
		BACHELOR OFFICER QUARTERS	9,800	9,800
		ELECTICAL DISTRIBUTION SYSTEM IMPROVEMENTS	5,100	5,100
		OPERATIONAL STORAGE WAREHOUSE	3,720	3,720
		SEALIFT SUPPORT PIER	2,550	2,550
		NAVAL COMMUNICATION STATION STOCKTON		
		FIRE PROTECTION PIPELINE	2,750	0
		NAVAL CONSTRUCT BATTALION CTR PORT HUENEME		
		ABRASIVE BLAST FACILITY	300	300
		BACHELOR OFFICER QUARTERS	3,040	3,040
		ENGINEERING SUPPORT FACILITY	3,140	3,140
		HAZARDOUS WASTE FACILITY	640	640
		NAVAL CONSTRUCTION TRNG CTR PORT HUENEME		

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INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		AUTOMOTIVE VEHICLE MAINTENANCE FACILITY	1,470	0
		SEABEE FLEET SUPPORT TRAINING FACILITIES	3,240	3,240
		NAVAL FACILITY CENTERVILLE BEACH		
		SECURITY IMPROVEMENTS	1,370	1,370
		NAVAL SECURITY GROUP DETACHMENT SAN DIEGO		
		CLASSIFIED MATERIALS ISSUE OFFICE ADDITION	1,570	0
		NAVAL SHIPYARD LONG BEACH		
		ELECTRONIC SYSTEMS EVALUATION FACILITY	1,180	1,180
		HAZARDOUS WASTE FACILITY	2,450	2,450
		NAVAL STATION LONG BEACH		
		BACHELOR ENLISTED QUARTERS	7,050	7,050
		BACHELOR OFFICER QUARTERS	3,730	0
		LIGHTING SYSTEMS	210	210
		FAMILY HOUSING NEW CONSTRUCTION (300)	22,900	22,900
		NAVAL STATION MARE ISLAND		
		RELIGIOUS EDUCATION BUILDING ALTERATION	470	0
		NAVAL STATION SAN DIEGO		
		BACHELOR ENLISTED QUARTERS	18,200	18,200
		DREDGING	1,260	1,260
		NAVAL SUBMARINE BASE SAN DIEGO		
		BACHELOR ENLISTED QUARTERS	9,100	6,200
		NAVAL SUPPLY CENTER OAKLAND		
		FIRE PROTECTION SYSTEM	540	540
		GENERAL WAREHOUSE ADDITION & MODERNIZATION	2,950	2,950
		NAVAL SUPPLY CENTER SAN DIEGO		
		PERSONAL PROPERTY OFFICE	1,370	0
		RAILROAD TRACK RELOCATION	2,450	2,450
		NAVAL TECHNICAL TRNG CTR SAN FRANCISCO		
		FIRE FIGHTING TRAINER FACILITY	9,820	9,820
		NAVAL TRAINING CENTER SAN DIEGO		
		BARRACKS	4,220	4,220
		BRIDGE	2,950	0
		ELECTRICAL DISTRIBUTION SYSTEM IMPROVEMENTS	8,250	8,250
		MACHINERY REPAIRMAN TRAINING BUILDING	5,700	5,700
		NAVAL WEAPONS CENTER CHINA LAKE		
		EXPLOSIVE ORDNANCE BREAKDOWN FACILITY	1,370	1,370

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INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		GUIDED MISSILE LABORATORY	10,300	0
		MESS HALL	2,450	0
		NAVAL WEAPONS STATION CONCORD		
		MISSILE TEST CELLS	790	790
		NAVAL WEAPONS STATION SEAL BEACH		
		QUALITY EVALUATION LABORATORY	6,100	0
		NAVY PUBLIC WORKS CENTER SAN DIEGO		
		DEFENSE ACCESS ROADS	1,400	1,400
		NAVY PUBLIC WORKS CENTER SAN FRANCISCO		
		NOISE ATTENUATION	450	450
		FAMILY HOUSING NEW CONSTRUCTION (300)	26,450	26,450
		NAVY SUBMARINE SUPPORT FACILITY SAN DIEGO		
		SEWERAGE SYSTEM IMPROVEMENTS	300	300
		NAVY TACT INTEROP SUPPORT ACT LONG BEACH		
		TACTICAL DATA SYSTEM SUPPORT FACILITY	510	510
		PACIFIC MISSILE TEST CENTER POINT MAGU		
		TELEMETRY FACILITIES	590	590
	AIR FORCE			
		BEALE AFB		
		KC135 COCKPIT PROCEDURES TRAINER SIM FAC	890	890
		SECURITY IMPROVEMENTS	400	400
		T9-NOISE SUPPRESSOR SUPPORT FACILITY	710	710
		TR1-AIRCRAFT SHELTER/APRON	4,000	4,000
		U2R-APRON AND SHELTERS	2,549	2,549
		U2R-SHELTERS AND APRON	967	967
		HOUSING MAINTENANCE SHOP	180	180
		CASTLE AFB		
		SURVIVAL EQUIPMENT SHOP	1,800	1,800
		T9-NOISE SUPPRESSOR SUPPORT FACILITY	830	830
		EDWARDS AFB		
		ADD TO PROPELLANT LABORATORY COMPLEX	5,500	5,500
		ADD-ALTER AVIONICS RESEARCH LAB	7,200	7,200
		ADD-ALTER TEST MANAGEMENT AND SECURITY FAC	1,400	1,400
		ALTER AVIONICS SHOP	2,300	0
		FAMILY HOUSING-ADD.MOBILE HOME SPACES (24)	376	376
		GEORGE AFB		
		ADD-ALTER VEHICLE MAINTENANCE SHOP	1,900	1,900

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		RESOURCE MANAGEMENT FACILITY	7,650	7,650
		VISITING PERSONNEL QUARTERS	5,000	0
		FT MACARTHUR		
		ALTER PERSONNEL SUPPORT FACILITY	3,000	0
		MARCH AFB		
		KC10-HYDRANT FUELING-CENTRAL ACFT SPT SYS	13,600	13,600
		T9-NOISE SUPPRESSOR SUPPORT FACILITY	840	840
		MATHER AFB		
		T9-NOISE SUPPRESSOR SUPPORT FACILITY	740	740
		MCCLELLAN AFB		
		ADD TO-ALTER DEPOT WAREHOUSE	9,400	9,400
		AMMUNITION STORAGE COMPLEX/LAND ACQ	4,300	4,300
		DEPOT FLIGHT INSTRUMENT OVERHAUL FACILITY	9,400	9,400
		REGIONAL WASTEWATER CONNECTION	5,800	5,800
		NORTON AFB		
		ADD-ALTER APPROACH LIGHTS	1,450	1,450
		SUNNYVALE AFS		
		ALTER AUTOMATED REMOTE TRACKING STATION	600	600
		ALTER MISSION CONTROL CENTERS	2,000	2,000
		TRAVIS AFB		
		ALTER AIRCRAFT MAINTENANCE HANGAR	1,600	1,600
		PHYSICAL FITNESS CENTER	4,700	4,700
		SATELLITE COMMUNICATIONS GROUND TERMINAL	1,900	1,900
		VANDENBURG AFB		
		ADD/ALTER OAK MOUNTAIN POWER PLANT	2,700	2,700
	STRATEGIC DEFENSE INITIATIVE ORGANIZATION			
		EDWARDS AFB		
		ROCKET PROPULSION BRILLION FACILITY	4,140	0
	DEFENSE LEVEL ACTIVITIES			
		DEFENSE LANGUAGE INSTITUTE - MONTEREY		
		BARRACKS	5,400	5,400
		EDWARDS AFB		
		DENTAL CLINIC	3,950	3,950
		MARCH AFB		
		ADD/ALTER MEDICAL LOGISTIC FACILITY	2,350	2,350

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		FORT ORD		
		HOSPITAL ADDITION	530	530
		VANDENBERG AFB		
		ADD/ALTER MEDICAL CENTER CLINIC ANNEX	1,900	1,900
	DEFENSE LOGISTICS AGENCY			
		DEF FUEL SUPPORT POINT ESTERO BAY		
		FIRE PROTECTION	680	680
	ARMY NATIONAL GUARD			
		CAMP SAN LUIS OBISPO		
		CLOSE COMBAT COURSE	184	184
		LONG BEACH		
		ORGANIZATIONAL MAINT. SHOP MODIFICATIONS	191	191
		SANTA BARBARA		
		ORGANIZATIONAL MAINT. SHOP MODIFICATIONS	125	125
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	500	500
	AIR NATIONAL GUARD			
		MOFFETT NAS		
		AIRCRAFT PARKING APRON SHOULDER	160	160
		POINT MUGU NAS		
		ANG OPERATIONS AND TRAINING COMPLEX-PHI	19,700	19,700
	ARMY RESERVE			
		OAKLAND		
		ADD/ALTER RESERVE CENTER/MAINT FACILITY	2,986	2,986
		SANTA ANA		
		ADD/ALTER ARMED FORCES RESERVE CENTER	1,158	1,158
		VAN NUYS		
		MAINTENANCE SHOP/KITCHEN	300	300
		WEST LOS ANGELES		
		ADD/ALTER RESERVE CENTER	3,648	3,648
	NAVY RESERVE			
		NMCRC LONG BEACH		
		PARACHUTE LOFT	190	190
	AIR FORCE RESERVE			

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		MARCH AFB		
		AERIAL PORT TRAINING FACILITY	1,980	1,980
		COMPOSITE MAINTENANCE FACILITY	2,300	2,300
		NORTON AFB		
		ALTER 445 MAW HEADQUARTERS	180	180
TOTAL: CALIFORNIA			652,169	554,919
COLORADO				
	ARMY			
		FORT CARSON		
		RANGE ROADS - PHASE III	3,500	3,500
		VEHICLE WASHRACK	7,800	7,800
		PUEBLO DEPOT ACTIVITY		
		SECURITY UPGRADE	600	600
	AIR FORCE			
		FALCON AFS		
		LAND ACQUISITION (EASEMENT)	6,400	6,400
		LA JUNTA		
		STR-COMPOSITE SUPPORT FACILITIES	2,150	2,150
		STR-LAND ACQUISITION	260	260
		STR-TECHNICAL OPERATIONS FACILITY	1,300	1,300
		STR-UNACCOMP ENLISTED PERSONNEL HOUSING	1,750	1,750
		FAMILY HOUSING NEW CONSTRUCTION (40)	4,000	4,000
		PETERSON AFB		
		ADD-ALTER SECURITY POLICE FACILITY	590	590
		BASE SUPPLY WAREHOUSE-PHASE I	4,000	0
		TROOP SUBSISTENCE STORAGE FACILITY	990	0
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	3,050	3,050
		US AIR FORCE ACADEMY		
		ADD-ALTER BASE CIVIL ENGINEERING FACS	990	990
		ADD-ALTER SECURITY POLICE FACILITY	600	0
		ALTER ELECTRICAL DISTRIBUTION SYSTEM	4,000	4,000
		LAND ACQUISITION	230	230
		ADD-ALTER CADET GYMNASIUM	0	7,400
	NAVY RESERVE			
		NRC FORT CARSON		
		PERMANENT DRILL SITE RNCFSU-2	390	390
	AIR FORCE RESERVE			

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		PETERSON AFB		
		ADD-ALTER SECURITY POLICE FACILITY	200	200
		COMPOSITE TRAINING FACILITY	1,060	1,060
TOTAL: COLORADO			43,860	45,670
CONNECTICUT				
	NAVY			
		NAVAL SUBMARINE BASE NEW LONDON		
		BACHELOR OFFICER QUARTERS	9,300	0
		FUEL STORAGE TANKS	1,470	1,470
		QUAYWALL	3,160	3,160
		WEAPONS STORAGE IMPROVEMENTS	2,950	0
		NAVAL SUBMARINE SCHOOL NEW LONDON		
		ADVANCED ENGINEERING TRAINING FACILITY	6,200	6,200
		SUBMARINE FIRE FIGHTING TRAINER FACILITY	3,340	3,340
TOTAL: CONNECTICUT			26,420	14,170
DELAWARE				
	ARMY NATIONAL GUARD			
		DAGSBORO		
		ORGANIZATIONAL MAINTENANCE SHOP	396	396
TOTAL: DELAWARE			396	396
DISTRICT OF COLUMBIA				
	NAVY			
		COMMANDANT NAVAL DISTRICT WASHINGTON		
		BACHELOR ENLISTED QUARTERS MODERNIZATION	2,000	2,000
		WHITE HOUSE SUPPORT COMPLEX	24,000	0
		NAVAL OBSERVATORY WASHINGTON		
		EMERGENCY POWER BUILDING	980	980
		NAVAL RESEARCH LABORATORY WASHINGTON		
		PHYSICS LABORATORY IMPROVEMENTS	8,730	0
	DEFENSE NUCLEAR AGENCY			
		NAVAL RESEARCH LAB		
		PULSE POWER RESEARCH FACILITY	3,200	0
TOTAL: DISTR OF COLUMBIA			38,910	2,980
FLORIDA				
	NAVY			

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		NAVAL AIR REWORK FACILITY PENSACOLA		
		AIRCRAFT STRUCTURES REPAIR FACILITY	8,050	8,050
		NAVAL AIR STATION CECIL FIELD		
		AIRCRAFT ACOUSTICAL ENCLOSURE	4,910	4,910
		BACHELOR ENLISTED QUARTERS	3,730	3,730
		NAVAL AIR STATION JACKSONVILLE		
		AIRCRAFT PARKING APRON	2,160	2,160
		BRIG	2,650	2,650
		HELICOPTER TRAINING FACILITY	4,220	4,220
		NAVAL AIR STATION KEY WEST		
		AIR COMBAT TRAINING DEBRIEFING FACILITY	930	930
		HYDROFOIL BERTHING WHARF	8,490	8,490
		MUNICIPAL SEWER CONNECTION IMPROVEMENTS	720	720
		NAVAL AIR STATION WHITING FIELD		
		RUNWAY IMPROVEMENT	2,120	2,120
		NAVAL COASTAL SYSTEMS CENTER PANAMA CITY		
		UNDERWATER EQUIPMENT LABORATORY	880	880
		NAVAL DIV & SALVAGE TRNG CTR PANAMA CITY		
		DIVER TRAINING BUILDING ADDITION	2,850	2,850
		NAVAL HOSPITAL PENSACOLA		
		FIRE PROTECTION SYSTEM IMPROVEMENTS	690	690
		NAVAL STATION MAYPORT		
		PHYSICAL FITNESS CENTER ADDITION	880	880
		NAVAL SUPPLY CENTER DETACHMENT MAYPORT		
		FLEET SUPPORT WAREHOUSE ADDITION	3,730	3,730
		NAVAL SUPPLY CENTER JACKSONVILLE		
		OIL SPILL PREVENTION	830	830
		NAVAL TECHNICAL TRAINING CENTER PENSACOLA		
		BOILER PLANT MODIFICATIONS	1,180	1,180
		CONTROLLED HUMIDITY STORAGE FACILITY	1,570	1,570
		INSTRUMENTMAN TRAINING FACILITY	4,610	4,610
		NAVAL TRAINING CENTER ORLANDO		
		ADVANCED UNDERWATER WEAPONS TRAINING FAC	2,950	2,950
		BARRACKS	8,440	8,440
		FIRE STATION	1,230	1,230
		PUBLIC WORKS SHOP	2,550	0

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		NAVY PUBLIC WORKS CENTER PENSACOLA		
		ELECTRICAL SYSTEM IMPROVEMENTS	1,470	1,470
		HAZARDOUS MATERIALS STORAGE & HANDLING FAC	400	400
		OIL SPILL PREVENTION	250	250
	AIR FORCE			
		AVON PARK		
		EXTEND RUNWAY	4,100	4,100
		EGLIN AFB		
		FUEL SYSTEMS MAINTENANCE FACILITY	1,650	0
		NON-DESTRUCT INSPECTION FACILITY	720	720
		HOMESTEAD AFB		
		DINING HALL AND TROOP ISSUE FACILITY	3,400	3,400
		F16-ECM PID SHOP AND STORAGE	1,650	1,650
		MEDICAL WAR RESERVE MATERIAL FACILITY	770	770
		SOUND SUPPRESSOR SUPPORT	730	730
		MACDILL AFB		
		ALTER USREDCOM COMMAND CENTER	1,600	1,600
		BASE CONTRACTING FACILITY	1,350	1,350
		MEDICAL WAR RESERVE MATERIAL FACILITY	780	780
		PATRICK AFB		
		AIRCRAFT CORROSION CONTROL FACILITIES	2,600	2,600
		TYNDALL AFB		
		ECIP-FACILITY ENERGY IMPROVEMENTS	600	0 1/
		F15-ADD/ALTER SQUADRON OPERATIONS FAC	760	760
		F15-ADDITION TO AIRCRAFT APRON	9,300	9,300
		F15-UNACCOMP ENLISTED PERSONNEL HOUSING	4,650	4,650
	ARMY NATIONAL GUARD			
		AVON PARK		
		RANGE, 25 METER ZERO	109	109
		RANGE, COMBAT PISTOL	165	165
		CAMP BLANDING		
		MOBILIZATION & TRAINING EQUIP SITE ADD/ALT	1,043	1,043
		CRYSTAL RIVER		
		200 PERSON ARMORY	1,017	1,017
		DAYTONA BEACH		
		ARMORY MODIFICATION	389	389

1/ authorized to be funded with prior year energy savings

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		LAKELAND		
		TRAINING SET FIRE OBSERVATION BUILDING	116	116
		PANAMA CITY		
		ARMORY ADD/ALT	809	809
		PENSACOLA		
		ORGANIZATIONAL MAINTENANCE SHOP	307	307
		SARASOTA		
		ARMORY ADD/ALT	617	617
		TAVARES		
		ORGANIZATIONAL MAINTENANCE SHOP	487	487
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	315	315
	AIR NATIONAL GUARD			
		JACKSONVILLE IAP		
		ADD-ALTER AIRCRAFT ENGINE SHOP	360	360
		FIRE SUPPRESSION SYSTEM	750	750
		SPECIAL FUELS FACILITY	240	240
		MACDILL AFB		
		COMMUNICATIONS-ELECTRONICS TRNG COMPLEX	4,700	4,700
	ARMY RESERVE			
		PERRINE		
		ARMY RESERVE CENTER/MEDICAL WING/MAINT	6,700	6,700
TOTAL: FLORIDA		--	125,274	120,474
GEORGIA				
	ARMY			
		FORT BENNING		
		CHAPEL	1,700	1,700
		CHILD DEVELOPMENT CENTER ADDITION	280	280
		FIRE STATION	1,100	1,100
		VEHICLE WASH FACILITY	4,000	4,000
		VEHICLE WASH FACILITY	9,100	9,100
		FORT MCPHERSON		
		OPERATIONS FACILITY	2,900	2,900
		FT STEWART/HUNTER AAF		
		FLIGHT SIMULATOR BUILDING	1,550	1,550

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
	NAVY			
		NAVAL SUBMARINE BASE KINGS BAY		
		BACHELOR OFFICER QUARTERS	3,440	3,440
		COMMANDER SUBMARINE GROUP OFFICE	1,550	0
		COMMUNITY IMPACT ASSISTANCE	5,100	5,100
		DEFENSIVE ORDNANCE SUPPORT FACILITIES	3,440	3,440
		DIESEL FUEL FACILITIES	1,960	1,960
		DOCKSIDE HANDLING BUILDING	3,340	3,340
		DREDGING	50,400	45,360
		DRYDOCK	45,450	40,905 1/
		FIRE STATION	350	350
		OFF-CREW OPERATIONS BUILDING	7,400	6,660
		PROVISION WAREHOUSE	2,160	0
		READY STORES FACILITY	1,270	0
		REFIT SUPPORT FACILITY	2,950	2,950
		REFIT WHARF	23,500	21,150
		STRATEGIC WEAPONS MAGAZINES	16,700	15,030
		STRATEGIC WPNS SYS SECOND LEVEL MAIN SHOPS	3,930	3,930
		UTILITIES AND SITE IMPROVEMENTS	4,900	4,900
	AIR FORCE			
		MOODY AFB		
		AIR FORCE COMM COMMAND MAINT FAC	900	900
		ROBINS AFB		
		ADD TO-ALTER AVIONICS REPAIR FACILITY	6,455	6,455
		AIRCRAFT UTILITY OUTLETS	1,700	1,700
		DANGEROUS CARGO PAD	2,700	2,700
		HIGH DENSITY STORAGE FACILITIES	3,800	3,800
		KC135-COCKPIT PROCEDURES TRAINER SIM FAC	660	660
		SOUND SUPPRESSOR SUPPORT	740	740
	DEFENSE LEVEL ACTIVITIES			
		FORT BENNING		
		WHITE ELEM SCHOOL MODERNIZATION/ADDITION	1,080	1,080
		ROBINS AIR FORCE BASE		
		ROBINS AND LINWOOD ELEM SCHOOL ADDITIONS	2,440	2,440
	DEFENSE LOGISTICS AGENCY			
		FORT STEWART		
		HAZARDOUS MATERIALS/WASTE STORAGE FACILITY	0	730
	ARMY NATIONAL GUARD			
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	486	486

1/ authorized at $125,600,000 and authorized for appropriations at $40,000,000 in fiscal year 1986, recommended authorization for appropriations at $40,905,000 in fiscal year 1987

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
	AIR NATIONAL GUARD			
		DOBBINS AFB		
		ADD-ALTER AIRCRAFT MAINTENANCE BLDGS-PH I	6,000	6,000
		ST SIMONS ISLAND		
		COMMUNICATIONS/ELECTRONICS TRAINING FAC	5,000	5,000
TOTAL: GEORGIA		--	230,431	211,836
HAWAII				
	ARMY			
		HAWAII VARIOUS		
		OPERATIONS SUPPORT FACILITY	12,000	12,000
		WHEELER ARMY AIR FIELD		
		FLIGHT SIMULATOR BUILDING	2,900	2,900
	NAVY			
		CAMP H M SMITH - OAHU		
		LAND ACQUISITION	1,570	1,570
		SECURITY HEADQUARTERS	500	0
		MARINE CORPS AIR STATION KANEOHE BAY		
		AIRCRAFT RINSE FACILITY	1,280	0
		BACHELOR ENLISTED QUARTERS MODERNIZATION	8,800	8,800
		COMBAT VEHICLE MAINTENANCE SHOP	6,480	6,480
		COMPANY AND BATTERY OPERATIONS CENTER	9,130	9,130
		CORROSION CONTROL HANGAR	2,260	2,260
		FLIGHT LINE SECURITY IMPROVEMENTS	2,550	2,550
		OPERATIONAL TRAINER FACILITY	880	880
		POWER CHECK PAD	500	500
		TACTICAL SUPPORT VAN PADS	8,840	8,840
		NAVAL AIR STATION BARBERS POINT		
		TACAMO SUPPORT COMPLEX	25,300	0
		NAVAL COM AREA MASTER STA EASTPAC HONOLULU		
		ANTENNA SAFETY IMPROVEMENTS	1,080	0
		NAVAL MAGAZINE LUALUALEI		
		MINE MAINTENANCE FACILITY MODIFICATIONS	860	860
		MISSILE MAINTENANCE FACILITY	2,850	2,850
		SECURITY IMPROVEMENTS	640	640
		NAVAL STATION PEARL HARBOR		
		SEAL TEAM TRAINING AND SUPPORT BUILDING	3,240	3,240
		NAVAL SUBMARINE BASE PEARL HARBOR		

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		DREDGING	690	690
		NAVAL SUPPLY CENTER PEARL HARBOR		
		COLD STORAGE FACILITY	11,820	11,820
		NAVY PUBLIC WORKS CENTER PEARL HARBOR		
		ELECTRICAL DISTR SYS IMPROVEMENTS (PH 1)	18,200	18,200
		MUNICIPAL SEWER CONNECTION	790	790
		WATER DISTRIBUTION SYSTEM IMPROVEMENTS	6,700	6,700
		PACIFIC MISSILE RANGE FAC BARKING SANDS		
		AIRCRAFT MAINTENANCE HANGAR & SUPPORT FACS	5,900	5,900
		RANGE OPERATIONS CENTER ADDITION	2,360	2,360
	AIR FORCE			
		HICKAM AFB		
		ADD-ALTER COMMAND CENTER	4,700	4,700
		VEHICLE OPERATIONS-MAINTENANCE FACILITY	1,150	0
	STRATEGIC DEFENSE INITIATIVE ORGAN			
		PACIFIC MISSILE RANGE		
		INTERMEDIATE BALLISTIC MISSILE LAUNCH CPLX	2,890	0
	DEFENSE LEVEL ACTIVITIES			
		PEARL HARBOR		
		OCCUPATIONAL HEALTH CLINIC	9,700	9,700
	AIR NATIONAL GUARD			
		BARKING SANDS		
		ADD-ALTER COMMUNICATIONS-ELEC TRNG COMPLEX	2,000	2,000
		KEAUKAHA MILITARY RESERVATION		
		MOBILITY STORAGE WAREHOUSE	180	180
TOTAL: HAWAII		--	158,740	126,540
IDAHO				
	AIR FORCE			
		MOUNTAIN HOME AFB		
		ADD-ALTER VEHICLE MAINTENANCE SHOP	520	520
		COMBAT SUPPORT CENTER	8,700	8,700
		NAVIGATION AIDS COMMUNICATION MAINT SHOP	840	840
		SOUND SUPPRESSOR SUPPORT	700	700
		UNACCOMP ENLISTED PERSONNEL HOUSING (OTH-B)	4,000	4,000
	DEFENSE LEVEL ACTIVITIES			
		MOUNTAIN HOME AFB		
		COMPOSITE MEDICAL FACILITY	30,500	30,500

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
	ARMY NATIONAL GUARD			
		GOWEN FIELD		
		TANK COMMANDERS ACADEMY COMPLEX	2,935	2,935
	AIR NATIONAL GUARD			
		BOISE AIRPORT		
		AIRMAN DORMITORY	320	320
		BASE SUPPLY/EQUIPMENT WAREHOUSE	2,600	2,600
		DINING HALL	150	150
TOTAL: IDAHO		--	51,265	51,265

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INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
ILLINOIS				
	ARMY			
		SAVANNA ARMY DEPOT		
		SECURITY UPGRADE	320	320
		FORT SHERIDAN		
		BARRACKS	2,050	2,050
	NAVY			
		NAVAL TRAINING CENTER GREAT LAKES		
		FIRE FIGHTING TRAINER	5,300	5,300
	AIR FORCE			
		CHANUTE AFB		
		LIQUID FUELS TRAINING FACILITY	2,600	2,600
		WEATHER TRAINING FACILITY	8,700	8,700
		SCOTT AFB		
		ADD-ALTER CONSOLIDATED COMPUTER FACILITY	8,900	1,100
	DEFENCE COMMUNICATION AGENCY			
		SCOTT AFB		
		DECCO COMPUTER CENTER/ADMIN FACILITY	7,600	7,600
	ARMY NATIONAL GUARD			
		CHICAGO		
		OMS MODIFICATIONS	346	346
		CHICAGO		
		ARMORY ALTERATION	1,573	1,573
		MARSEILLES		
		FACILITY ENGR. SHOP & STORAGE BUILDING	208	208
	AIR NATIONAL GUARD			
		CAPITAL MAP		
		AIRCRAFT APRON SECURITY LIGHTING	120	120
		CHICAGO-O'HARE IAP		
		ANG/AFRES MEDICAL TRAINING FACILITY	800	800
		GREATER PEORIA AIRPORT		
		SITE PREPARATION-PHASE I	4,000	4,000
	ARMY RESERVE			
		JOLIET		
		WEEKEND TRAINING SITE/RANGES	4,765	4,765

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
	NAVY RESERVE			
		NAS GLENVIEW		
		AVIATION TECHNICAL TRAINING BUILDING	2,200	2,200
		KC-130 PARKING APRON	1,900	1,900
		OPERATIONAL STORAGE FACILITY RNMCB-25	175	175
		NRF GREAT LAKES		
		ASSAULT CRAFT UNIT MAINT. FACILITY	700	700
	AIR FORCE RESERVE			
		CHICAGO-O'HARE IAP		
		TACTICAL CLINIC (JOINT USE)	750	750
TOTAL: ILLINOIS		---	53,007	45,207
INDIANA				
	ARMY			
		INDIANA ARMY AMMUNITION PLANT		
		ACCESS ROADS TO SHIPHOUSES	260	0 1/
		MODERNIZE TESTING LABORATORIES	1,300	0 1/
	NAVY			
		NAVAL WEAPONS SUPPORT CENTER CRANE		
		FLEET MICROWAVE SUPPORT CENTER	6,880	6,880
	AIR FORCE			
		GRISSOM AFB		
		COMBAT ARMS TRAINING/MAINT FACS	850	850
		MISSION OPERATIONS FACILITY	3,000	3,000
	ARMY NATIONAL GUARD			
		CAMP ATTERBURY		
		RANGE, RECORD FIRE M-16	334	334
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	318	318
	ARMY RESERVE			
		SOUTH BEND		
		ADD/ALTER RESERVE CENTER/MAINT FACILITIES	3,511	3,511
	AIR FORCE RESERVE			
		GRISSOM AFB		
		AVIONICS/DCM FACILITY (A-10)	1,800	1,800
TOTAL: INDIANA		---	18,253	16,693
IOWA				

1/ recommended project be transferred to Army ammunition procurement account

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
	ARMY NATIONAL GUARD			
		CAMP DODGE		
		RANGE, FIELD FIRE	257	257
		REGIONAL MAINTENANCE TNG SITE	839	839
		SEWAGE SYSTEM MODIFICATION	806	806
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	280	280
	AIR NATIONAL GUARD			
		DES MOINES MAP		
		LANA POD MAINTENANCE SHOP	360	360
	ARMY RESERVE			
		OTTUMWA		
		LAND ACQUISITION	60	60
TOTAL: IOWA		--	2,602	2,602
KANSAS				
	ARMY			
		KANSAS ARMY AMMUNITION PLANT		
		EMERGENCY LIGHTING & POWER FOR 300 LINE	410	0 1/
		UPGRADE COAL HANDLING SYSTEM-BUILDING 209	640	0 1/
		FORT LEAVENWORTH		
		WATER STORAGE TANK	1,100	1,100
		FORT RILEY		
		BARRACKS MODERNIZATION	6,100	6,100
		CHILD DEVELOPMENT CENTER	4,250	4,250
		PRIMARY WATER SUPPLY CONNECTION	2,150	2,150
	AIR FORCE			
		MCCONNELL AFB		
		B1B-ADD/ALTER ACFT MAINTENANCE MGMT FAC	1,900	1,900
		B1B-ADD/ALTER ACFT MAINTENANCE SHOPS	2,740	2,740
		B1B-ADD/ALTER OPERATIONS MAINTENANCE FACS	2,000	2,000
		B1B-ADD/ALTER ACFT PRECISION MEASUREMENT EQ	500	500
		B1B-ADD/ALTER ACFT SUPPORT EQUIP/STORAGE FAC	1,250	1,250
		B1B-AIRFIELD PAVEMENT	2,740	2,740
		B1B-ALTER AIRCRAFT MAINT HANGARS	11,970	11,970
		B1B-BASE ENGINEER MAINT MANAGEMENT FAC	240	240
		B1B-BLAST DEFLECTORS	960	960
		B1B-CASS EQUIPMENT AND INSTALLATION	1,200	1,200
		B1B-FLIGHT SIMULATOR TRNG FACILITY	3,660	3,660
		B1B-HEAVY EQUIPMENT MAINTENANCE FACILITY	1,050	1,050
		B1B-MOBILITY CENTER	1,950	1,950

1/ recommended project be transferred to Army ammunition procurement account

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		KC135-HYDRANT FUELING SYSTEM	2,600	2,600
		SECURITY IMPROVEMENTS	980	980
	ARMY NATIONAL GUARD			
		JUNCTION CITY		
		ARMORY MODIFICATION	353	353
		NICKELL BARRACKS		
		RANGE, RECORD FIRE M-16	291	291
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	335	335
	AIR NATIONAL GUARD			
		FORBES FIELD		
		ALTER OPERATIONS AND TRAINING FACILITY	172	172
		MCCONNELL AFB		
		ADD-ALTER BASE SUPPLY COMPLEX	1,500	1,500
		ADDITION TO ENGINE SHOP	500	500
	ARMY RESERVE			
		KANSAS CITY		
		ADD/ALTER ARMY RESERVE CENTER	1,548	1,548
		MANHATTAN		
		ADD/ALTER RESERVE CENTER/MAINT FACILITY	1,522	1,522
		PARSONS		
		ADD/ALTER RESERVE CENTER/MAINT FACILITY	1,534	1,534
TOTAL: KANSAS		---	58,145	57,095
KENTUCKY				
	ARMY			
		FORT CAMPBELL		
		AIRCRAFT MAINTENANCE HANGAR	16,500	16,500
		FUEL PUMPING STATION	240	240
		VEHICLE WASH FACILITY	4,500	4,500
		FORT KNOX		
		APPLIED INSTRUCTION FACILITY	3,200	3,200
		LEXINGTON-BLUEGRASS DEP ACT		
		SECURITY UPGRADE	540	540
	DEFENSE LEVEL ACTIVITIES			
		FORT CAMPBELL		

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		MIDDLE SCHOOL ADDITION	1,340	1,340
		FORT KNOX		
		ELEMENTARY SCHOOL GYMNASIUMS-SIX	4,350	4,350
TOTAL: KENTURCY		--	30,670	30,670
LOUISIANA				
	ARMY			
		FORT POLK		
		MULTI-PURPOSE TRAINING RANGE	27,000	27,000
		FAMILY HOUSING NEW CONSTRUCTION (583)	37,000	37,000
	AIR FORCE			
		ENGLAND AFB		
		BASE CIVIL ENGINEER ADMINISTRATIVE FAC	2,300	2,300
	DEFENSE LEVEL ACTIVITIES			
		FORT POLK		
		TROOP MEDICAL CLINIC	2,650	2,650
	ARMY NATIONAL GUARD			
		DELHI		
		60 PERSON ARMORY	859	859
		FARMERVILLE		
		60 PERSON ARMORY	835	835
		MONROE		
		ORGANIZATIONAL MAINTENANCE SHOP MODIFICAT.	268	268
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	300	300
		VILLE PLATTE		
		60 PERSON ARMORY	690	690
	NAVY RESERVE			
		NAVAL AIR STATION NEW ORLEANS		
		APPROACH LIGHTING SYSTEM RUNWAYS 4 AND 22	2,200	2,200
		NAVAL SUPPORT ACTIVITY, NEW ORLEANS		
		ADMIN SPACE, BLDG 603-2-C	260	260
		ISMO/AUDIO VISION	275	275
		NMCRC NEW ORLEANS		
		RESERVE TRAINING BUILDING ALTERATION	700	700

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		RNMCB-28 BARKSDALE AFB		
		OPERATIONAL STORAGE FACILITY RNMCB-28	175	175
	AIR FORCE RESERVE			
		BARKSDALE AFB		
		ALTER AVIONICS/SQUADRON OPERATIONS	1,000	1,000
TOTAL: LOUISIANA		--	76,512	76,512
MAINE				
	NAVY			
		NAVAL AIR STATION BRUNSWICK		
		GROUND SUPPORT EQUIPMENT FACILITY	2,160	0
		OIL SPILL PREVENTION	450	450
		OPERATIONAL TRAINER FACILITY ADDITION	710	710
		NAVAL SHIPYARD PORTSMOUTH KITTERY		
		ENGINEERING MANAGMENT BUILDING	10,900	0
		HAZARDOUS MATERIAL STORAGE & HANDLING FAC	5,100	5,100
		LOGISTICS SUPPORT FACILITY ALTERATIONS	980	980
		REFUELING CRANE	6,190	6,190
	AIR FORCE			
		BANGOR		
		PHYSICAL FITNESS FACILITY	1,250	1,250
		LORING AFB		
		AIRCRAFT APRON-REFUELING SYSTEM-PH I	12,200	0
		ALTER WEAPONS STORAGE AREA	1,300	1,300
	DEFENSE LOGISTICS AGENCY			
		NAS BRUNSWICK		
		HAZARDOUS MATERIALS/WASTE STORAGE FACILITY	0	510
	ARMY NATIONAL GUARD			
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	503	503
	ARMY RESERVE			
		SACO		
		ADD/ALTER RESERVE CENTER/MAINT FACILITY	1,129	1,129
	NAVY RESERVE			
		RNMCB-27 NAVAL AIR STATION BRUNSWICK		
		OPERATIONAL STORAGE FACILITY RNMCB-27	175	175
TOTAL: MAINE		--	43,047	18,297

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
MARYLAND				
	ARMY			
		ABERDEEN PROVING GROUND		
		APPLIED INSTRUCTION BUILDING	23,000	23,000
		BARRACKS COMPLEX	19,000	19,000
		CONDENSATE RETURN	750	750
		FAMILY HOUSING NEW CONSTRUCTION (140)	9,700	9,700
		FAMILY HOUSING-MOBILE HOME SPACES (70)	1,100	1,100
		HARRY DIAMOND LAB		
		COMPUTER LABORATORY ADDITION	680	680
	NAVY			
		NAVAL ACADEMY ANNAPOLIS		
		EDUCATIONAL COMPUTER CENTER	2,260	2,260
		FIRE STATION	400	400
		NAVAL AIR TEST CENTER PATUXENT RIVER		
		AIRCRAFT TEST AND EVALUATION FACILITY	13,300	13,300
		LANDING SYSTEM TEST FACILITY	4,030	4,030
		MUNICIPAL SEWER CONNECTION	1,360	1,360
		STEAM AND CONDENSATE SYSTEMS	2,450	2,450
		NAVAL ORDANCE STATION INDIAN HEAD		
		OIL SPILL PREVENTION	500	500
		PROPELLANT FACILITIES UPGRADE	3,680	950
	AIR FORCE			
		ANDREWS AFB		
		AF ONE MAINT AND SUPPORT COMPLEX	45,000	25,000
		ECIP-ALTER LIGHTING SYSTEMS	430	0 1/
	DEFENSE LEVEL ACTIVITIES			
		ANDREWS AFB		
		ALTER MEDICAL CENTER CLINIC ANNEX	2,000	2,000
		USUHS BETHESDA		
		MEDICAL STORAGE FACILITY	900	900
	NATIONAL SECURITY AGENCY			
		FORT MEADE		
		CONNECTOR ROAD	5,200	5,200
		R&D FACILITY	53,700	38,000 2/
		ROAD IMPROVEMENTS	4,370	0
	DEFENSE NUCLEAR AGENCY			
		BETHESDA NAVAL HOSPITAL		
		RESEARCH SUPPORT BUILDING	790	790

1/ authorized to be funded with prior year energy savings

2/authorized at $74,064,000 and authorized for appropriations at $21,364,000 in fiscal year 1986, recommended authorization for appropriations at $38,000,000 in fiscal year 1987

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
	ARMY NATIONAL GUARD			
		EDGEWOOD		
		400 PERSON ARMORY	5,723	5,723
	AIR NATIONAL GUARD			
		ANDREWS AFB		
		ALTER AIRCRAFT MAINTENANCE SHOP	300	300
	AIR FORCE RESERVE			
		ANDREWS AFB		
		ALTER BLDG FOR MOBILE AERIAL PORT SQUADRON	110	110
		ALTER FIRE PROTECTION SYSTEM HANGAR TEN	300	300
		ALTER FUEL SYSTEM DOCK	160	160
TOTAL: MARYLAND		--	201,193	157,963
MASSACHUSETTS				
	ARMY			
		FORT DEVENS		
		ACADEMIC INSTRUCTION FACILITY	6,800	6,800
		ACADEMIC INSTRUCTION FACILITY	9,500	9,500
		BARRACKS MODERNIZATION	4,500	4,500
	AIR FORCE			
		CAPE COD		
		ALTER POWER PLANT	4,300	4,300
		HANSCOM AFB		
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	2,700	2,700
		ALTER UNACCOMP OFFICER PERSONNEL HOUSING	1,300	1,300
	ARMY NATIONAL GUARD			
		CAMP CURTIS GUILD (READING)		
		ORGANIZATIONAL MAINTENANCE SHOP	543	543
	AIR NATIONAL GUARD			
		OTIS ANGB		
		ALTER AIRCRAFT ENGINE SHOP	210	210
		ALTER AVIONICS/PMEL FACILITY	3,000	3,000
	ARMY RESERVE			
		DEVENS		
		EQUIPMENT CONCENTRATION SITE	360	360
	AIR FORCE RESERVE			
		WESTOVER AFB		
		ALTER SQUADRON OPERATIONS	1,250	1,250

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.	
		APRON, TAXIWAY/HYDRANT FUELING SYSTEM	13,730	13,730	
		CONSTRUCT FIRE STATION	1,800	1,800	
		UPGRADE HANGAR	6,505	6,505	
		UPGRADE HYDRANT REFUELING SYSTEM	1,000	1,000	
TOTAL: MASSACHUSETTS		--	57,498	57,498	
MICHIGAN					
	ARMY				
		DETROIT ARSENAL			
		CHILD DEVELOPMENT CENTER	1,350	1,350	
	AIR FORCE				
		KI SAWYER AFB			
		ADD-ALTER COMBAT ARMS TRNG/MAINT FACS	740	740	
		SECURITY IMPROVEMENTS	990	990	
		WURTSMITH AFB			
		B52-ADD TO AIRCRAFT PARKING APRON	4,450	4,450	
		B52-ADD TO HYDRANT REFUELING WITH CASS	1,500	1,500	
		B52-ADD/ALTER ALERT ACFT PARKING AREA	2,700	2,700	
		B52-ADD/ALTER ALERT CREW FACILITY	1,900	1,900	
		ECIP-BOILER IMPROVEMENTS	320	0	1/
		SECURITY IMPROVEMENTS	870	870	
	ARMY NATIONAL GUARD				
		AUGUSTA			
		RANGE, M60 TRANSITION	180	180	
		CAMP GRAYLING			
		AUTOMATED FIELD FIRE RANGE	553	553	
		AUTOMATED RECORD FIRE RANGE	665	665	
		DEARBORN			
		ORGANIZATIONAL MAINTENANCE SHOP	297	297	
		VARIOUS LOCATIONS			
		ARMORY UNIT STORAGE BUILDINGS	245	245	
	ARMY RESERVE				
		KALAMAZOO			
		LAND ACQUISITION	110	110	
		SAGINAW			
		ARMED FORCES RESERVE CENTER	3,070	3,070	
	NAVY RESERVE				
		AFRC SAGINAW			

1/ authorized to be funded with prior year energy savings

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		RESERVE TRAINING BUILDING	3,600	3,600
		RNMCB-26 DETROIT		
		OPERATIONAL STORAGE FACILITY RNMCB-26	175	175
	AIR FORCE RESERVE			
		SELFRIDGE ANGB		
		SURVIVAL EQUIPMENT SHOP	800	800
TOTAL: MICHIGAN			24,515	24,195
MINNESOTA				
	ARMY NATIONAL GUARD			
		ALBERT LEA		
		100 PERSON ARMORY	843	843
		CAMP RIPLEY		
		TRNG FACIL - A/A TRACKING & LIVE FIRE RANGE	592	592
		TROOP ISSUE SUBSISTANCE ACTIVITY	3,031	3,031
		DETROIT LAKES		
		ORGANIZATIONAL MAINTENANCE SHOP ADD/ALT	374	374
		MOOREHEAD		
		200 PERSON ARMORY	1,331	1,331
		WILLMAR		
		ORGANIZATIONAL MAINT. SHOP MODIFICATIONS	226	226
	ARMY RESERVE			
		ST CLOUD		
		LAND ACQUISITION	255	255
	NAVY RESERVE			
		RNCFSU-4 ST PAUL INTERNATIONAL AIRPORT		
		PERMANENT DRILL SITE RNCFSU-4	390	390
TOTAL: MINNESOTA			7,042	7,042
MISSISSIPPI				
	NAVY			
		NAVAL AIR STATION MERIDIAN		
		AIRFIELD PAVEMENTS	3,170	3,170
		FACILITY ENERGY IMPROVEMENTS	650	650
		GAS GENERATING PLANT	590	590
		PHYSICAL SECURITY IMPROVEMENTS	250	0
		NAVAL CONSTRUCTION BATTALION CTR GULFPORT		

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		CONTROLLED HUMIDITY STORAGE FACILITIES	14,200	14,200
		DATA PROCESSING CENTER	690	690
		FACILITY ENERGY IMPROVEMENTS	400	400
		SEABEE BATTALION OPERATIONS FACILITY	1,670	1,670
		SECURITY BUILDING	690	690
		NAVAL CONSTRUCTION TRAINING CTR GULFPORT		
		SEABEES INSTRUCTION BUILDING	1,180	1,180
		SUPERVISOR OF SHIP BUILDING PASCAGOULA		
		LAND ACQUISITION & BUILDING MODERNIZATION	4,120	4,120
	AIR FORCE			
		KEESLER AFB		
		DEFENSE ACCESS ROAD	3,200	3,200
		ECIP-FACILITY ENERGY IMPROVEMENTS	1,970	0 1/
	DEFENSE LEVEL ACTIVITIES			
		KEESLER AFB		
		ADD/ALTER RADIOLOGY LINER ACCELERATOR	3,100	3,100
	ARMY NATIONAL GUARD			
		CAMP SHELBY		
		REGIONAL MAINTENANCE TNG SITE	1,214	1,214
	AIR NATIONAL GUARD			
		ALLEN C THOMPSON FIELD		
		ADD-ALTER ENGINE/AVIONICS SHOPS	1,300	1,300
		GULFPORT		
		JET FUEL STORAGE COMPLEX	4,250	4,250
TOTAL: MISSISSIPPI		--	42,644	40,424
MISSOURI				
	ARMY			
		LAKE CITY AAP		
		CONSTRUCT 2 WATER WELLS	370	0 2/
		FORT LEONARD WOOD		
		APPLIED INSTRUCTION FACILITY	16,000	16,000
		ENGINEER SCHOOL/POST HEADQUARTERS BUILDING	14,000	14,000
		UNACCOMPANIED OFFICER HOUSING	13,200	13,200
	AIR FORCE			
		WHITEMAN AFB		
		ALTER ELECTRICAL DISTRIBUTION SYSTEM	9,500	9,500
		COLD STORAGE FACILITY	1,200	1,200

1/ authorized to be funded with prior year energy savings

2/ recommended project be transferred to Army ammunition procurement account

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
	DEFENSE MAPPING AGENCY			
		DMA AEROSPACE CENTER	16,700	16,700
		DIGITAL PRODUCTION FACILITIES		
	ARMY NATIONAL GUARD			
		CAMP CLARK		
		RANGE, COMBAT PISTOL	105	105
		FORT CROWDER		
		CLASSROOMS, MILITARY	123	123
		RANGE, COMBAT PISTOL	105	105
		RANGE, RECORD FIRE	231	231
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	343	343
	AIR NATIONAL GUARD			
		ROSECRANS MEMORIAL AIRPORT		
		ADD TO SUPPORT EQUIPMENT SHOP	180	180
		ADDITION TO SQUADRON OPERATIONS	1,200	1,200
		ST LOUIS-LAMBERT FIELD		
		MOBILITY STORAGE WAREHOUSE	350	350
	NAVY RESERVE			
		RNMCB-15 RICHARDS GEBAUR AFB		
		OPERATIONAL STORAGE FACILITY RNMCB-15	175	175
TOTAL: MISSOURI		--	73,782	73,412
MONTANA				
	AIR FORCE			
		MALMSTROM AFB		
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	3,800	3,800
		KC135R-ADD TO AND ALTER FIRE STATION	570	570
		KC135R-ADD/ALTER VEHICLE MAINTENANCE SHOP	800	800
		KC135R-ALTER AIRFIELD PAVEMENTS	6,600	6,600
		KC135R-ALTER AVIONICS MAINTENANCE SHOP	210	210
		KC135R-ALTER FUEL CELL MAINTENANCE DOCK	1,400	1,400
		KC135R-ALTER HEADQUARTERS OPERATIONS FAC	7,700	7,700
		KC135R-ALTER HYDRANT REFUELING SYSTEM	8,500	8,500
		KC135R-ALTER SUPPORT EQUIP/STORAGE FAC	280	280
		KC135R-APRON LIGHTING	390	390
		KC135R-CASS PROVISIONS-PHASE I	1,800	1,800
		KC135R-INSTRUMENT LANDING SYSTEM	920	920
		KC135R-RUNWAY APPROACH LIGHTING	800	800

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
	ARMY NATIONAL GUARD			
		BILLINGS		
		ORGANIZATIONAL MAINTENANCE SHOP	410	410
		RANGE, MULTI-PURPOSE INDOOR	315	315
		GLENDIVE		
		RANGE, MULTI-PURPOSE INDOOR	315	315
		LIMESTONE HILLS		
		RANGE SUPPORT FACILITY	192	192
	AIR NATIONAL GUARD			
		GREAT FALLS IAP		
		SPECIAL FUELS FACILITY	190	190
TOTAL: MONTANA		--	35,192	35,192
NEBRASKA				
	AIR FORCE			
		OFFUTT AFB		
		ADD TO COMBAT ARMS TRAINING/MAINT FACS	520	520
		ADD-ALTER STRATEGIC COMM DIVISION HQ FAC	2,470	2,470
		ECIP-FACILITY ENERGY IMPROVEMENTS	2,680	0
		ELECTRICAL SUBSTATION	4,450	4,450
		SECURITY IMPROVEMENTS	2,500	2,500
		STRATEGIC ANALYSIS AND APPLICATIONS CTR	12,350	12,350
	ARMY NATIONAL GUARD			
		GERING	135	135
		ORGANIZATIONAL MAINTENANCE SHOP		
		HASTINGS		
		RANGE, FIELD FIRE	127	127
		RANGE, TANK TABLE VIIC	129	129
		UNIT TRAINING EQUIPMENT SITE	581	581
		LINCOLN		
		U.S. PROPERTY & FISCAL OFFICE ADDITION	242	242
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	283	283
	AIR NATIONAL GUARD			
		LINCOLN MAP		
		ADD-ALTER FLIGHTLINE MAINTENANCE SHOP	160	160
TOTAL: NEBRASKA		--	26,627	23,947

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
NEVADA				
	ARMY			
		HAWTHORNE AAP		
		AMMUNITION SURVEILLANCE FACILITY	7,000	0
	NAVY			
		NAVAL AIR STATION FALLON		
		ELECTRONIC WARFARE RANGE IMPROVEMENTS	11,800	7,800
		LAND ACQUISITION	6,400	6,400
		PARALLEL RUNWAY	17,000	17,000
	AIR FORCE			
		INDIAN SPRINGS		
		CONTROL TOWER	1,700	1,700
		NELLIS AFB		
		BASE CIVIL ENGINEERING COMPLEX-PHASE I	7,700	7,700
		COMBAT SUPPORT CENTER	6,200	6,200
		DINING HALL	2,600	2,600
		PARALLEL TAXIWAY/LAND ACQUISITION	7,300	7,300
	NAVY RESERVE			
		AFRC LAS VEGAS		
		RESERVE CENTER ADDITION	1,000	1,000
TOTAL: NEVADA		--	68,700	57,700
NEW HAMPSHIRE				
	AIR FORCE			
		PEASE AFB		
		ADD-ALTER AVIONICS MAINTENANCE SHOP	1,150	1,150
		ADD-ALTER COMBAT ARMS TRAINING/MAINT FAC	1,050	1,050
	ARMY NATIONAL GUARD			
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	460	460
TOTAL: NEW HAMPSHIRE		--	2,660	2,660
NEW JERSEY				
	ARMY	FORT MONMOUTH		
		BARRACKS MODERNIZATION	4,900	4,900
	NAVY			
		NAVAL WEAPONS STATION EARLE		
		AMMUNITION PIER AND TRESTLE	52,500	52,500
		FLEET SUPPORT FACILITIES	1,960	1,960
		SECURITY TOWER	300	300

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
	AIR FORCE			
		MCGUIRE AFB		
		ADD-ALTER BASE CIVIL ENGINEERING COMPLEX	5,700	5,700
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	7,000	7,000
		SATELITTLE COMMUNICATIONS GROUND TERMINAL	895	895
		HOUSING MANAGEMENT OFFICE	325	325
	DEFENSE LEVEL ACTIVITIES			
		MCGUIRE AFB		
		DENTAL CLINIC	3,800	3,800
	ARMY NATIONAL GUARD			
		RED BANK		
		ORGANIZATION MAINTENANCE SHOP MODIF.	211	211
		SEA GIRT		
		BAFFLED RANGES	567	567
		VINELAND		
		ORGANIZATIONAL MAINTENANCE SHOP MODIF.	183	183
	AIR NATIONAL GUARD			
		ATLANTIC CITY		
		ADD-ALTER FUEL CELL MAINTENANCE HANGER	350	350
		AVIONICS SHOP	2,060	2,060
		COMPOSITE AIRCRAFT MAINTENANCE COMPLEX	3,600	3,600
		MCGUIRE AFB		
		BASE SUPPLY WAREHOUSE	3,000	3,000
		MUNITIONS MAINTENANCE AND STORAGE FAC	1,200	1,200
	NAVY RESERVE			
		RNMCB-21 LAKEHURST		
		OPERATIONAL STORAGE FACILITY RNMCB-21	175	175
TOTAL: NEW JERSEY		--	88,726	88,726
NEW MEXICO				
	ARMY			
		FORT WINGATE		
		SECURITY UPGRADE	350	350
	AIR FORCE			
		HOLLOMAN AFB		
		LAND ACQUISITION	2,150	2,150
		RATSCAT MODERNIZATION-PHASE II	4,160	4,160
		SATELLITE COMMUNICATIONS SYSTEMS SECURITY	600	600

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		TACTICAL OPERATIONS CENTER	3,350	3,350
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	4,500	4,500
		KIRTLAND AFB		
		ALTER MAINTENANCE HANGER	1,300	1,300
		COMMUNICATIONS DUCT SYSTEM	1,800	1,800
		OPTICS AND BEAM CONTROL LABORATORY	8,700	8,700
	STRATEGIC DEFENSE INITIATIVE ORGANIZATION			
		WHITE SANDS MISSILE RANGE		
		HIGH ENDO DEFENSE INTERCEPTOR LAUNCH CMPX	1,930	0
	DEFENSE LEVEL ACTIVITIES			
		KIRTLAND AFB		
		ADD-ALTER COMPOSITE MEDICAL FACILITY	25,550	0
	DEFENSE LOGISTICS AGENCY			
		KIRTLAND ARB		
		HAZARDOUS MATERIALS/WASTE STORAGE FACILITY	0	620
	DEFENSE NUCLEAR AGENCY			
		KIRTLAND AFB		
		POWER UPGRADE BUILDING NBR 20676	900	900
	ARMY NATIONAL GUARD			
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	209	209
	AIR NATIONAL GUARD			
		KIRKLAND AFB		
		LANA POD MAINTENANCE SHOP	360	360
TOTAL: NEW MEXICO		---	55,859	28,999
NEW YORK				
	ARMY			
		FORT DRUM		
		10TH MOUNTAIN DIVISION FACILITIES-PHASE I	232,000	180,000 1/
		FAMILY HOUSING NEW CONSTRUCTION (1200)	91,000	91,000
		SENACA ARMY DEPOT		
		SECURITY LIGHTING	1,100	1,100
		FAMILY HOUSING NEW CONSTRUCTION (30)	2,900	2,900
		U.S. MILITARY ACADEMY		
		ACADEMIC FACILITY MODERNIZATION	15,500	14,500
		ACADEMIC FACILITY MODERNIZATION PHASE II	13,000	10,000

1/ recommended authorization for appropriations at $180,000,000 in fiscal year 1987, $221,000,000 in fiscal year 1988, and $214,000,000 in fiscal year 1989

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
	NAVY			
		NAVAL STATION NEW YORK		
		SHORE INTERM MAINT ACTIVITY	22,600	22,600
		SUPPLY WAREHOUSE	6,800	0
		BACHELOR ENLISTED QUARTERS/MESS HALL	7,950	7,950
		BACHELOR OFFICER QUARTERS	2,450	0
		UTILITIES/SITE IMPROVEMENT	22,400	22,400
		FAMILY HOUSING NEW CONSTRUCTION (300)	28,330	0
		DEFENSE ACCESS ROADS	1,450	1,450
	AIR FORCE			
		GRIFFISS AFB		
		SECUIRTY IMPROVEMENTS	1,150	1,150
		T9 NOISE SUPPRESSOR SUPPORT FACILITY	440	440
		PLATTSBURGH AFB		
		ADD-ALTER VEHICLE MAINTENANCE SHOP	3,200	3,200
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	3,000	3,000
		COMBAT ARMS TRAINING/MAINT FACS.	1,250	1,250
		KC135 COCKPIT PROCEDURES TRAINER/MAINT FAC	760	760
		SECURITY IMPROVEMENTS	1,400	1,400
	DEFENSE LEVEL ACTIVITIES			
		GOVERNORS ISLAND		
		ELEM/JR HIGH SCHOOL ADDITION/ROOF REPAIR	2,600	2,600
	ARMY NATIONAL GUARD			
		DRYDEN		
		200 PERSON ARMORY	1,670	1,670
		GUILDERLAND		
		TRAINING FACILITIES, PHASE II	305	305
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	775	775
	AIR NATIONAL GUARD			
		HANCOCK FIELD		
		MOBILITY STORAGE WAREHOUSE	170	170
		STEWART AIRPORT		
		COMPOSITE MAINT FAC/SUPPLY COMPLEX	10,150	10,150
	ARMY RESERVE			
		NEWBURGH		
		ARMY RESERVE CENTER/MAINT FACILITIES	5,485	5,485
		SCHENECTADY		

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		MAINT ACTIVITY/KITCHEN ADDITION	165	165
	NAVY RESERVE			
		RNCFSU-1 SYRACUSE		
		PERMANENT DRILL SITE RNCFSU-1	390	390
		RNMCB-13 PEEKSKILL		
		OPERATIONAL STORAGE FACILITY RNMCB-13	175	175
TOTAL: NEW YORK		--	480,565	386,985
NORTH CAROLINA				
	ARMY			
		FORT BRAGG		
		AERIAL GUNNERY RANGE	2,350	2,350
		FLIGHT SIMULATOR BUILDING	1,300	1,300
		OPERATIONS COMPLEX PHASE II	5,200	5,200
		RANGE COMPLEX	1,050	1,050
		SPECIAL FORCES MISSION SUPPORT FACILITY	6,500	6,500
		TACTICAL EQUIPMENT SHOP	8,200	8,200
		SUNNY POINT ARMY TERM		
		PROVOST MARSHAL FACILITY	650	650
	NAVY			
		MARINE CORPS AIR STATIONS CHERRY POINT		
		AIRCRAFT RINSE FACILITY	500	500
		LAND ACQUISITION	1,370	1,370
		OPERATIONAL TRAINER FACILITY ADDITION	980	980
		REFUELING VEHICLE MAINTENANCE SHOPS	2,060	2,060
		TACTICAL AIR COMBAT TRAINING FACILITY	3,730	3,730
		TROOP AND CARGO STAGING FACILITY	6,870	6,870
		MARINE CORPS AIR STATION NEW RIVER		
		BACHELOR ENLISTED QUARTERS	4,900	4,900
		GROUP OPERATIONS FACILITY	980	980
		MAINTENANCE HANGER MODERNIZATION	15,120	15,120
		ROAD IMPROVEMENTS	710	710
		MARINE CORPS BASE CAMP LEJUNE		
		BACHELOR ENLISTED QUARTERS	17,700	14,700
		BATTALION OPERATIONS FACILITY	3,250	3,250
		COMBAT VEHICLE MAINTENANCE SHOP	2,850	2,850
		ELECTRONICS & COMMUNICATIONS MAINT SHOP	4,610	4,610
		FIELD MAINTENANCE COMPLEX	5,900	5,900
		MESS HALL	4,810	4,810
		FAMILY HOUSING-MOBILE HOME SPACES (75)	930	930

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
		NAVAL AIR REWORK FACILITY CHERRY POINT		
		AIRCARFT ENGINE BLADE REWORK FACILITY	15,600	15,600
		AIRCRAFT REWORK FACILITY	21,600	21,600
		NAVAL HOSPITAL CAMP LEJUNE		
		BACHELOR ENLISTED QUARTERS	1,670	1,670
	AIR FORCE			
		POPE AFB		
		MUNITIONS STORAGE COMPLEX	1,100	1,100
		UPGRADE CENTRAL HEATING PLANTS	2,300	2,300
		HOUSING MANAGEMENT OFFICE	300	300
		SEYMOUR JOHNSON AFB		
		AIRCRAFT MAINTENANCE SUPPLY WAREHOUSE	2,100	2,100
		SOUND SUPPRESSOR SUPPORT	660	660
	DEFENSE LEVEL ACTIVITIES			
		CAMP LEJUNE		
		MEDICAL AND DENTAL CLINIC	3,900	3,900
		TARAWA TERR/STONE ST/DELALIP ELMEM ADD	1,190	1,190
	DEFENSE LOGISTICS AGENCY			
		FORT BRAGG		
		HAZARDOUS MATERIALS/WASTE STORAGE FACILITY	0	825
	ARMY NATIONAL GUARD			
		FORT BRAGG		
		REGIONAL MAINTENANCE TNG SITE	1,211	1,211
		MORRISVILLE		
		400 PERSON ARMORY	2,061	2,061
		ARMY AVIATION SUPPORT FACILITY	3,698	3,698
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	475	475
	ARMY RESERVE			
		FORT BRAGG		
		EQUIPMENT CONCENTRATION SITE/MAINT FAC	2,946	2,946
		DURHAM		
		LAND ACQUISITION	90	90
		STATESVILLE		
		LAND ACQUISITION	35	35
TOTAL: NORTH CAROLINA		--	163,456	161,281

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM.
NORTH DAKOTA				
	AIR FORCE			
		CAVALIER		
		ADD-ALTER COOLING SYSTEM	1,120	1,120
		ALTER SATCOM GROUND TERMINAL	1,700	1,700
		GRAND FORKS AFB		
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	4,100	4,100
		B1B ADD/ALTER VARIOUS MAINTENANCE FACS	1,700	1,700
		B1B ALTER FLIGHT SIMULATOR TRAINING FAC	1,100	1,100
		B1B ALTER INTEGRATED MAINTENANCE FAC	550	550
		B1B BLAST DEFLECTORS	1,750	1,750
		B1B CASS EQUIPMENT AND INSTALLATION	3,000	3,000
		B1B CROSSOVER TAXIWAY	2,400	2,400
		B1B JET ENGINE STORAGE FACILITY	430	430
		B1B SECONDARY FIRE STATION	330	330
		B1B SUPPORT EQUIP AND STORAGE FACILITY	3,150	3,150
		B1B TRACTOR/TRAILER STORAGE FACILITIES	930	930
		COMBAT ARMS TRAINING/MAINT FACS	1,500	1,500
		ELEVATED WATER STORAGE TANK	680	680
		KC135 COCKPIT PROCEDURES TRAINER SIM FAC	780	780
		SECURITY IMPROVEMENTS	730	730
		MINOT AFB		
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	4,650	4,650
		CM-ADD/ALTER MUNITIONS MAINTENANCE SHOP	1,700	1,700
		CM-MUNITIONS UPLOAD TRAINING FACILITY	8,300	8,300
		CM-UNARMED WEAPONS STORAGE FACILITY	1,100	1,100
		CM-UPGRADE WEAPONS STORAGE AREA	2,100	2,100
		CM-WEAPONS CONVOY RAODS	710	710
		CM-WEAPONS STORAGE IGLOOS	11,100	11,100
		COMBAT ARMS TRAINING/MAINT FACS	1,250	1,250
		ECIP-ALTER HEATING SYSTEM	250	0 1/
		KC135-COCKPIT PROCEDURES TRNG SIM FAC	890	890
		SECURITY IMPROVEMENTS	1,050	1,050
	ARMY NATIONAL GUARD			
		BISMARK		
		400 PERSON ARMORY	5,295	5,295
TOTAL: NORTH DAKOTA		--	64,345	64,095

1/ authorized to be funded with prior year energy savings

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
OHIO				
	AIR FORCE			
		NEWARK AFS		
		RADIAC LABORATORY	3,000	3,000
		WRIGHT-PATTERSON AFB		
		ACCESS ROAD	15,000	15,000
		ADD-ALTER ACFT FIRE PROT/EXPL RESEARCH LAB	2,850	2,850
		ADD-ALTER BIOCOMMUNICATIONS LABORATORY	7,400	7,400
		AIRCRAFT SUPPORT EQUIPMENT FACILITY	3,300	3,300
		HANGAR FIRE PROTECTION SYSTEM	2,350	2,350
		ROAD	3,600	3,600
	DEFENSE LOGISTICS AGENCY			
		DEFENSE CONSTRUCTION SUPPLY CENTER		
		IMPROVE LIGHTING	580	580
		IMPROVE WAREHOUSE FACILITIES	280	280
	ARMY NATIONAL GUARD			
		LIMA		
		ORGANIZATIONAL MAINTENANCE SHOP	324	324
		PIQUA		
		ORGANIZATIONAL MAINTENANCE SHOP	312	312
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	500	500
	AIR NATIONAL GUARD			
		RICKENBACKER ANGB		
		ALTER AGE MAINTENANCE SHOP	160	160
		SPRINGFIELD MAP		
		WATER AND SEWER LINES	1,100	1,100
		TOLEDO EXPRESS AIRPORT		
		ADD TO FIRE STATION	250	250
	NAVY RESERVE			
		NMCRC YOUNGSTOWN		
		RESERVE TRAINING BUILDING	3,600	3,600
		RNMCB-20 COLUMBUS		
		OPERATIONAL STORAGE FACILITY RNMCB-20	175	175
	AIR FORCE RESERVE			
		WRIGHT-PATTERSON AFB		
		ALTER 401ST CLSS FACILITY	200	200

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		YOUNGSTOWN MAP		
		ADD-ALTER SQUADRON OPERATIONS	340	340
TOTAL:OHIO		---	45,321	45,321
OKLAHOMA				
	ARMY			
		FORT SILL		
		VEHICLE WASH FACILITY	3,050	0
	AIR FORCE			
		ALTUS AFB		
		LAND ACQUISITION	310	310
		TINKER AFB		
		ADD-ALTER ENGINE TUBING/ACCESSORY SHOP	1,650	1,650
		ADD-ALTER HAZARDOUS STORAGE FACILITY	1,800	1,800
		ADD-ALTER HEAT TREATMENT FACILITY	2,300	2,300
		AIRCRAFT MAINTENANCE HANGAR	15,000	15,000
		ALTER F-107 ENGINE FACILITY	1,350	1,350
		WAREHOUSE	10,800	10,800
	ARMY NATIONAL GUARD			
		CAMP GRUBER		
		RANGE, LT ANTI-ARMOR WEAPONS	147	147
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	410	410
	AIR NATIONAL GUARD			
		TULSA IAP		
		ADDITION FOR ECM POD MAINTENANCE SHOP	220	220
	AIR FORCE RESERVE			
		TINKER AFB		
		ADD TO TERMINAL FOR AERIAL PORT	830	830
TOTAL: OKLAHOMA		---	37,867	34,817
OREGON				
	ARMY			
		UMATILLA ARMY DEPOT		
		SECURITY UPGRADE	1,050	1,050
	ARMY NATIONAL GUARD			
		ASHLAND		
		100 PERSON ARMORY	1,048	1,048

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		CAMP ADAIR		
		TARGET STORAGE/LATRINE/SAFETY BERM/ROAD	304	304
		CAMP WITHYCOMBE		
		COMM-ELEC, CANVAS & CARPENTRY SHOP	663	663
		EUGENE		
		ARMORY ADD/ALT	503	503
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	277	277
	AIR NATIONAL GUARD			
		KINGSLEY FIELD		
		ALTER PARACHUTE AND DINGHY SHOP	250	250
		PORTLAND IAP		
		BASE SUPPLY WAREHOUSE	4,600	4,600
	AIR FORCE RESERVE			
		PORTLAND IAP		
		ADD TO BASE WAREHOUSE	400	400
		ADD-ALTER MEDICAL TRAINING FACILITY	380	380
		MAINTENANCE HANGAR	3,900	3,900
TOTAL: OREGON		---	13,375	13,375
PENNSYLVANIA				
	ARMY			
		CARLISLE BARRACKS		
		TACTICAL EQUIPMENT SHOP	800	800
		LETTERKENNY ARMY DEPOT		
		SECURITY UPGRADE	1,900	1,900
		NEW CUMBERLAND AD		
		EASTERN DISTRIBUTION CENTER-PHASE II	51,000	43,000 1/
	NAVY			
		NAVAL SHIP SYSTEM ENGR STA PHILADELPHIA		
		ELECTRICAL DISTRIBUTION SYSTEM IMPROVES	400	400
		NAVY SHIPS PARTS CONTROL CTR MECHANICSBURG		
		FACILITY ENERGY IMPROVEMENTS	1,670	1,670
	DEFENSE LOGISTICS AGENCY			
		DEF REUTILIZATION & MARKETING OFC MECHANBG		

1/ authorized at $88,000,000 and authorized for appropriations at $15,000,000 in fiscal year 1986, recommended authorization for appropriations at $43,000,000 in fiscal year 1987

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(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		SCRAPYARD IMPROVEMENTS	1,290	0
		NAVY SHIP PARTS CONTROL CTR MECHANICSBURG HAZARDOUS MATERIALS/WASTE STORAFE FAC	0	318
	ARMY NATIONAL GUARD			
		INDIANA		
		RANGE, 25 METER BAFFLED	125	125
		RIDGEWAY		
		RANGE, 25 METER BAFFLED	125	125
		WILLIAMSTOWN		
		ARMORY ADD/ALT	533	533
	ARMY RESERVE			
		CLINTON		
		LOCAL TRAINING AREA	476	476
		LEWISBURG		
		ARMY RESERVE CENTER MAINT FACILITY	1,296	1,296
		SCHUYLKILL HAVEN		
		ADD/ALTER RESERVE CENTER/MAINT FACILITY	2,089	2,089
	NAVY RESERVE			
		MCRC WYOMING		
		COMBAT VEHICLE MAINT FACILITY	190	190
		NAS WILLOW GROVE		
		AIRCRAFT MAINTENANCE HANGAR	8,000	8,000
		AIRCRAFT RINSE FACILITY	150	150
		RNCFSU-1 BEAVER COUNTY		
		PERMANENT DRILL SITE RNCFSU-1	390	390
	AIR FORCE RESERVE			
		GREATER PITTSBURGH IAP		
		ADD-ALTER AERIAL PORT TRAINING FACILITY	620	620
TOTAL: PENNSYLVANIA		---	71,054	62,082
RHODE ISLAND				
	NAVY			
		NAVAL EDUCATION & TRAINING CENTER NEWPORT		
		BACHELOR OFFICER QUARTERS	8,800	8,800
		UTILITY SYSTEMS IMPROVEMENTS	2,900	2,900

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		SURFACE WARFARE OFFICERS SCH CMD NEWPORT		
		SURFACE WARFARE OFFICER TRAINING FACILITY	8,840	8,840
	ARMY NATIONAL GUARD			
		CAMP FOGARTY		
		RANGE, RIFLE 175 METER BAFFLED	288	288
		WARWICK		
		ARMORY ADD/ALT	2,880	2,880
	AIR NATIONAL GUARD			
		NORTH SMITHFIELD ANGS		
		COMMUNICATIONS/ELECTRONICS TRNG FAC-PH I	2,400	2,400
TOTAL: RHODE ISLAND		---	26,108	26,108
SOUTH CAROLINA				
	ARMY			
		FORT JACKSON		
		APPLIED INSTRUCTION FACILITY	1,300	1,300
	NAVY			
		MARINE CORPS AIR STATION BEAUFORT		
		AIRCRAFT RINSE FACILITY	740	0
		AUTOMOTIVE VEHICLE MAINTENANCE SHOP	640	640
		FLIGHT LINE SECURITY IMPROVEMENTS	1,280	1,280
		FUEL SYSTEM MAINTENANCE FACILITIES	1,370	1,370
		RUNWAY APPROACH LIGHTING	960	960
		MARINE CORPS RECRUIT DEPOT PARRIS ISLAND		
		RECRUIT BATTALION OPERATIONS FACILITY	1,870	0
		NAVAL SHIPYARD CHARLESTON		
		DRYDOCK PUMPHOUSE ALTERNATIONS	7,860	7,860
		HAZARDOUS & FLAMMABLE MATERIALS STOREHOUSE	2,950	2,950
		NAVAL STATION CHARLESTON		
		MOBILE MINE ASSEMBLY GROUP OPERATIONS FAC	1,400	1,400
		NAVAL WEAPONS STATION CHARLESTON		
		CONSOLIDATED BRIG	16,500	16,500
		PIER IMPROVEMENTS	6,130	6,130
	AIR FORCE			
		CHARLESTON AFB		
		ADD-ALTER RECREATION CENTER	560	560
		CORROSION CONTROL COVERED WASHRACK	5,000	5,000
		MATERIAL HANDLING EQUIP MAINT SHOP	730	730

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		MYRTLE BEACH AFB		
		AIRCRAFT CORROSION CONTROL FACILITY	3,000	0
		SHAW AFB		
		ADD-ALTER 9TH AIR FORCE HEADQUARTERS	3,700	3,700
	DEFENSE LOGISTICS AGENCY			
		DEF FUEL SUPPORT CHARLESTON		
		FIRE PROTECTION	460	460
		DEF FUEL SUPPORT POINT NSC CHARLESTON		
		FUEL TANKAGE	5,130	5,130
	ARMY NATIONAL GUARD			
		HAMPTON		
		LOGISTICAL FACILITY DAS3 CLIX	128	128
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	315	315
	AIR NATIONAL GUARD			
		MCENTIRE		
		MUNITIONS MAINTENANCE/STORAGE FACILITY	1,600	1,600
	ARMY RESERVE			
		FLORENCE		
		LAND ACQUISITION	200	200
		ORANGEBURG		
		LAND ACQUISITION	75	75
		ROCK HILL		
		LAND ACQUISITION	20	20
TOTAL: SOUTH CAROLINA		--	63,918	58,308
SOUTH DAKOTA				
	AIR FORCE			
		ELLSWORTH AFB		
		B1B-ADD/ALTER WRSK STORAGE FACILITY	860	860
		COMBAT ARMS TRAINING/MAINT FACS	1,000	1,000
		CONTROL TOWER	2,150	2,150
		LIFE SUPPORT FACILITY	950	950
		SECURITY IMPROVEMENTS	450	450
		STC-CONTROL AND OPERATIONS FACILITY	5,500	5,500
	ARMY NATIONAL GUARD			

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		MITCHELL		
		RANGE, PISTOL BAFFLED	221	221
		SIOUX FALLS		
		RANGE, PISTOL BAFFLED	221	221
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	400	400
	AIR NATIONAL GUARD			
		JOE FOSS FIELD		
		JET FUEL STORAGE COMPLEX	2,500	2,500
TOTAL: SOUTH DAKOTA		--	14,252	14,252
TENNESSEE				
	ARMY			
		HOLSTON ARMY AMMUNITION PLANT		
		BACKUP ELECTRIC POWER	2,950	0 1/
		MODERNIZE A-COMPOSITION FAC LINE 10	5,000	0 1/
		MODERNIZE COMPOSITION A-5 DRYING PROCESS	3,000	0 1/
		TURBINE GENERATOR FOR BUILDING B-6 (ECAM)	330	0 1/
		MILAN AAP		
		AMMUNITION STORAGE MAGAZINES FOR LINE-B	610	0 1/
	NAVY			
		NAVAL AIR STATION MEMPHIS		
		AVIATION ORDNANCEMAN TRAINING BUILDING	12,800	0
		BRIG	2,750	2,750
		ENTRANCE ROADS IMPROVEMENT	1,570	0
		WATER TREATMENT FACILITY	260	260
	AIR FORCE			
		ARNOLD ENGINEERING DEV CENTER		
		ADD-ALTER CHEMICAL LABORATORY	730	730
		FIRE DEFICIENCY CORRECTIONS	2,800	2,800
	DEFENSE LOGISTICS AGENCY			
		DEFENSE DEPOT MEMPHIS		
		DINING FACILITY	1,160	1,160
	ARMY NATIONAL GUARD			
		CATOOSA		
		RANGE, MACHINE GUN/DEMOLITION	138	138
		HOHENWALD		
		60 PERSON ARMORY	656	656

1/ recommended project be transferred to Army ammunition procurement account

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		MILAN		
		TRAINING FAC. PHASE III	2,697	2,697
		MILLINGTON		
		60 PERSON ARMORY	1,013	1,013
		NASHVILLE		
		USPFO ADDITION	644	644
		PULASKI		
		100 PERSON ARMORY	650	650
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	335	335
TOTAL: TENNESSEE			40,093	13,833
TEXAS				
	ARMY			
		CORPUS CHRISTI ARMY DEPOT		
		AIRCRAFT MAINTENANCE SHOP	7,200	7,200
		AIRCRAFT MAINTENANCE SHOP ADDITION	2,150	0
		COMPOSITE PANEL PREPARATION FACILITY	1,200	1,200
		POWER TRAINING FACILITY	0	2,250
		FORT HOOD		
		ACADEMIC INSTRUCTION FACILITY	2,750	2,750
		VEHICLE WASH FACILITY	10,600	10,600
		RED RIVER ARMY DEPOT		
		SECURITY UPGRADE	1,350	1,350
		FORT SAM HOUSTON		
		CHILD DEVELOPMENT CENTER	2,900	2,900
		WATER STORAGE TANK	800	800
	NAVY			
		NAVAL AIR STATION CORPUS CHRISTI		
		FACILITY ENERGY IMPROVEMENTS	690	690
		NAVAL AIR STATION KINGSVILLE		
		FIRE ALARM SYSTEM	640	640
		JET ENGINE TEST CELL FACILITY	3,140	3,140
	AIR FORCE			
		BERGSTROM AFB		
		ADD-ALTER TACTICAL INTELL SQ FACILITY	1,260	1,260

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		SOUND SUPPRESSOR SUPPORT	600	600
		TACTICAL AIR CONTROL CENTER FACILITY	3,390	0
		CARSWELL AFB		
		VEHICLE FUELING STATION	490	490
		DYESS AFB		
		B1B-JET ENGINE STORAGE FACILITY	590	590
		B1B-MUNITIONS EQUIPMENT STORAGE FACILITIES	1,050	1,050
		COMBAT ARMS TRAINING/MAINT FACS	960	960
		SECURITY IMPROVEMENTS	750	750
		T9-NOISE SUPPRESSOR SUPPORT FACILITY	780	780
		GOODFELLOW AFB		
		UNACCOMPANIED OFFICER PERSONNEL HOUSING	10,000	0
		KELLY AFB		
		FUEL SYSTEMS ACCESSORIES TEST FACILITY	10,900	10,900
		WEAPONS SYSTEMS SUPPORT CENTER	39,000	0
		LACKLAND AFB		
		ACADEMIC FACILITY-SECURITY POLICE	5,500	0
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	16,000	16,000
		LAUGHLIN AFB		
		LAND ACQUISITION-AUXILIARY FIELD	3,700	3,700
		RANDOLPH AFB		
		AF MGMT ENGINEERING AGENCY ADMIN FAC	2,250	2,250
	DEFENSE LEVEL ACTIVITIES			
		BROOKS AFB		
		ADD/ALTER DRUG ABUSE DETECTION LAB	1,850	0
		FORT HOOD		
		TROOP MEDICAL CLINIC	3,450	3,450
		FORT SAM HOUSTON		
		SITE PREPARATION	0	10,000
		RANDOLPH AFB		
		CLINIC/DENTAL CLINIC	13,700	13,700
	ARMY NATIONAL GUARD			
		ABILENE		
		ARMORY ADD/ALT	924	924
		AUSTIN		

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		ARMORY MODIFICATION	400	400
		U.S. PROPERTY & FISCAL OFFICE ADDITION	400	400
		CAMP MAXEY		
		RANGE, COMBAT PISTOL	126	126
		CAMP SWIFT		
		RANGE, M-16 RECORD FIRE	271	271
		RANGE, M60/M2 TRANSITION	312	312
		DECATUR		
		ARMORY ADD/ALT	801	801
		WAXAHACHIE		
		ARMORY ADD/ALT	774	774
	AIR NATIONAL GUARD			
		ELLINGTON ANGB		
		ALTER WEAPONS AND RELEASE SHOP	224	224
		KELLY AFB		
		JET BLAST DEFLECTOR	125	125
	ARMY RESERVE			
		CAMP BULLIS		
		MILITARY INTELLIGENCE TRAINING FACILITY	1,918	1,918
		FT SAM HOUSTON		
		RESERVE CENTER ALTERATION	145	145
		SINTON		
		RESERVE CENTER ADDITION	190	190
	NAVY RESERVE			
		NAVAL AIR STATION DALLAS		
		AIRCRAFT COOLING	250	250
		AIRFIELD APPROACH LIGHTING	2,400	2,400
		OPERATIONAL STORAGE FACILITY RNMCB-22	175	175
		NAVAL RESERVE CENTER CORPUS CHRISTI		
		VEHICLE MAINT FACILITY	250	250
	AIR FORCE RESERVE			
		CARSWELL AFB		
		COMPOSITE TRAINING FACILITY	1,500	1,500
TOTAL: TEXAS		---	160,825	111,185

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS
INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
UTAH				
	ARMY			
		DUGWAY PROVING GROUND		
		COMMUNITY CENTER	3,200	3,200
		MATERIAL TEST FACILITY	9,700	9,700
		TOOELE ARMY DEPOT		
		SECURITY UPGRADE	1,850	1,850
	AIR FORCE			
		HILL AFB		
		ADD TO WATER SUPPLY AND DIST SYSTEM	1,200	1,200
		DEPOT INSTRUMENT OVERHAUL SHOP	1,550	1,550
		GAPFILLER RADAR FACILITY	1,300	1,300
		LOGISTICS SYSTEMS OPERATIONS CENTER	11,500	11,500
		PEACEKEEPER-ADD/ALTER STAGE I STORAGE	1,000	1,000
		PEACEKEEPER-SYSTEM ENGINEERING TEST SILO	4,000	4,000
	DEFENSE LOGISTICS AGENCY			
		DEFENSE DEPOT OGDEN		
		ADMINISTRATIVE FACILITIES	9,780	0
		TRANSIENT AND VISITOR HOUSING	620	0
	ARMY NATIONAL GUARD			
		CAMP WILLIAMS		
		BOQ/BEQ RENOVATION	139	139
		RANGE, FIELD FIRE	179	179
		RANGE, KNOWN DISTANCE	135	135
		DRAPER		
		MILITARY COMPLEX ACQUISITION	5,376	5,376
	ARMY RESERVE			
		PROVO		
		STORAGE BUILDING	110	110
	AIR FORCE RESERVE			
		HILL AFB		
		POWER CHECK PAD WITH SUPPRESSOR	750	750
TOTAL: UTAH		--	52,389	41,989
VERMONT				
	ARMY NATIONAL GUARD			
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	350	350
TOTAL: VERMONT		--	350	350

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
VIRGINIA				
	ARMY			
		FORT BELVOIR		
		CHILD DEVELOPMENT/RELIGIOUS ED FACILITY	5,600	5,600
		FORT EUSTIS		
		APPLIED INSTRUCTION FACILITY	2,050	2,050
		FORT LEE		
		BARRACKS	10,000	10,000
		GENERAL INSTRUCTION BUILDING ADDITION	7,600	7,600
		FORT MYER		
		PHYSICAL FITNESS TRAINING CENTER	3,800	0
		RADFORD AAP		
		ELECTRIC POWER CENTER UPGRADE	9,200	0 1/
		EXPAND 155MM STICK PROPELLANT PRODUCTION	750	0 1/
		REPLACE EXPLOSION PROTECTION BARRICADES	1,100	0 1/
		STEAM SUPPLY LINE TO HORSESHOE AREA	8,700	0 1/
		FORT STORY		
		ELECTRICAL DISTRIBUTION SYSTEM UPGRADE	1,700	1,700
		STORAGE/MAINTENANCE FACILITY	1,000	1,000
	NAVY			
		FLEET COMBAT TRAIN CTR ATLANTIC DAM NECK		
		ELECTRICAL DISTRIBUTION SYSTEM	820	0
		DEFENSE ACCESS ROADS	2,550	2,550
		FLEET INTEL CTR EUROPE & ATLANTIC NORFOLK		
		INTELLIGENCE BUILDING ADDITION	1,880	1,880
		FLEET TRAINING CENTER NORFOLK		
		ELECTRICAL TRADES TRAINING BLDG ADDITION	5,400	5,400
		MARINE CORPS DEV EDUC COMM. QUANTICO		
		FAMILY HOUSING-MOBILE HOME SPACES (50)	790	790
		HEADQUARTERS MARINE CORPS ARLINGTON		
		PHYSICAL FITNESS CENTER	3,020	3,020
		NAVAL AIR STATION NORFOLK		
		HELICOPTER TRAINING FACILITIES	1,570	1,570
		NAVAL AMPHIBIOUS BASE LITTLE CREEK		
		BEACH GROUP OPERATIONS FACILITIES	5,890	5,890

1/ recommended project be transferred to Army ammunition procurement account

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS
INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		STEAM AND CONDENSATE SYSTEMS	1,080	1,080
		NAVAL ELECTRONIC SYS ENGR CTR PORTSMOUTH		
		ELECTRONIC SYSTEMS INTEGRATION & SPT FAC	1,870	1,870
		NAVAL GUIDED MISSILES SCHOOL DAM NECK		
		SUBMARINE TRAINING BUILDING ADDITION	3,140	3,140
		NAVAL LEGAL SERVICE OFFICE DET OCEANA		
		LEGAL SERVICES OFFICE	540	540
		NAVAL LEGAL SERVICE OFFICE NORFOLK		
		NAVAL LEGAL SERVICE BUILDING ADDITION	1,080	1,080
		NAVAL OCEAN PROCESSING FACILITY DAM NECK		
		SECURITY IMPROVEMENTS	540	540
		NAVAL RESEARCH LABORATORY ANNEX QUANTICO		
		MIDWAY RESEARCH CENTER	1,500	1,500
		NAVAL SEA COMBAT SYSTEMS ENGR STA NORFOLK		
		SHIPBOARD ELECTRONICS SYSTEMS EVAL FAC	980	980
		NAVAL SHIPYARD NORFOLK		
		BACHELOR ENLISTED QUARTERS	5,900	5,900
		NAVAL SUPPLY CENTER NORFOLK		
		HAZARDOUS MTRLS STRG & HANDLING FAC ADDN	3,140	3,140
		NAVAL SURFACE WEAPONS CENTER DAHLGREN		
		AEGIS COMPUTER CENTER ADDITION	3,830	3,830
		AEGIS EDUCATION CENTER ADDITION	2,950	2,950
		PERSONNEL SUPPORT FACILITIES	5,450	5,450
		WEAPONS SYSTEM DEVELOPMENT LABORATORY ADDN	3,730	3,730
		NAVAL WEAPONS STATION YORKTOWN		
		MISSILE STORAGE FACILITIES	4,220	4,220
		NAVY PUBLIC WORKS CENTER NORFOLK		
		MAINTENANCE STORAGE FACILITY	2,450	2,450
		OIL SPILL PREVENTION	690	690
		STEAM PLANT IMPROVEMENTS	5,600	5,600
	AIR FORCE			
		LANGLEY AFB		
		ADD-ALTER DATA PROCESSING FACILITY	3,550	3,550
		BASE SUPPLY COMPLEX-PHASE III	4,450	4,450
		ECIP-UPGRADE HEATING SYSTEM	1,640	0 1/

1/ authorized to be funded with prior year energy savings

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS
INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
	DEFENSE LEVEL ACTIVITIES			
		DAHLGREN		
		ELEMENTARY/JR HIGH SCHOOL ADDITION	1,130	1,130
		PENTAGON		
		DEMOLITION OF PARKING LOT	2,500	0
		QUANTICO		
		HIGH SCHOOL ADDITION	420	420
	DEFENSE COMMUNICATIONS AGNCY			
		PENTAGON		
		JDSSC PENTAGON ALTERATION/EXPANSION	2,300	0
	ARMY NATIONAL GUARD			
		CHARLOTTESVILLE		
		ARMORY ADD/ALT	910	910
		FREDERICKSBURG		
		ARMORY ADD/ALT	1,239	1,239
		ORGANIZATIONAL MAINTENANCE SHOP MODIFICAT.	191	191
		LEESBURG		
		100 PERSON ARMORY	1,024	1,024
		LEXINGTON		
		60 PERSON ARMORY	897	897
		MANASSAS		
		ARMORY ADD/ALT	903	903
		STAUNTON		
		ARMORY ADD/ALT	1,302	1,302
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	460	460
	ARMY RESERVE			
		FORT LEE		
		ADD/ALTER ARMY RESERVE CENTER	2,299	2,299
	NAVY RESERVE			
		RNMCB-23 FT BELVOIR		
		OPERATIONAL STORAGE FACILITY RNMCB-23	175	175
TOTAL: VIRGINIA		---	147,500	116,690

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS
INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
WASHINGTON				
	ARMY			
		FORT LEWIS		
		COMSEC MAINTENANCE FACILITY	600	600
		FIRE PROTECTION SYSTEM	480	480
		LANDFILL UPGRADE	7,500	7,500
		REFUSE INCINERATOR PLANT	13,000	13,000
		TACTICAL EQUIPMENT SHOP	4,400	4,400
	NAVY			
		NAVAL AIR STATION WHIDBEY ISLAND		
		AIRCRAFT PARKING APRON	3,510	3,510
		FLIGHT SIMULATOR BUILDING ADDITION	980	980
		WATER TREATMENT FACILITY	690	690
		NAVAL STATION EVERETT		
		PIER	38,000	0
		DREDGING/BREAKWATER	13,820	0
		SHORE IMPROVE/SEAWALL	15,700	0
		UTILITIES/SITE IMPROVEMENT	19,070	0
		LAND ACQUISITION	8,810	0
		NAVAL STATION SEATTLE		
		BRIG	2,950	2,950
		NAVAL SUBMARINE BASE BANGOR		
		BACHELOR ENLISTED QUARTERS	4,900	0
		ELECTRICAL DISTRIBUTION SYSTEM IMPROVES	5,600	5,600
		HAZARDOUS WASTE FACILITY	1,280	0
		SECURITY BUILDING	2,750	0
		SEWERAGE SYSTEM	300	300
		SEWERAGE SYSTEM	400	0
		NAVAL SUPPLY CENTER BREMERTON		
		OIL SPILL PREVENTION	500	500
		NAVAL UNDERSEA WARFARE ENGR STA KEYPORT		
		MISSILE MAGAZINES	5,890	5,890
		TRIDENT REFIT FACILITY BANGOR		
		ELECTRICAL DISTRIBUTION SYSTEM	980	980
		WATER TREATMENT PLANT IMPROVEMENTS	590	590
	AIR FORCE			
		FAIRCHILD AFB		
		ALTER CONSOLIDATED BASE PERSONNEL OFFICE	1,950	1,950
		ECIP-WEATHERIZATION	1,350	0 1/
		SECURITY IMPROVEMENTS	570	570

1/ authorized to be funded with prior year energy savings

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS
INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		SECURITY POLICE OPERATIONS FACILITY	2,900	2,900
		T9-NOISE SUPPRESSOR SUPPORT FACILITY	750	750
		MCCHORD AFB		
		ADD TO-ALTER AIR FREIGHT TERMINAL	6,400	6,400
		SQUADRONS OPERATIONS FACILITY	4,900	0
	DEFENSE LEVEL ACTIVITIES			
		FORT LEWIS		
		MADIGAN ARMY MEDICAL CENTER PHASE II	72,100	72,100 1/
	DEFENSE LOGISTICS AGENCY			
		DEF FUEL SUPPORT POINT MUKILTEO		
		FUEL PIER	6,360	0
	ARMY NATIONAL GUARD			
		CAMP MURRAY		
		U.S. PROPERTY & FISCAL OFFICE ADDITION	302	302
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	332	332
	ARMY RESERVE			
		BOTHELL		
		ARMY RESERVE CENTER	3,400	3,400
	NAVY RESERVE			
		NAF WHIDBEY ISLAND		
		AIRCRAFT MAINTENANCE HANGAR	6,100	6,100
TOTAL: WASHINGTON		--	260,114	142,774
WEST VIRGINIA				
	ARMY			
		FORT DAWSON		
		STUDENT TRAINING FACILITY	8,700	8,700
	AIR NATIONAL GUARD			
		E WV REGIONAL APT (MARTINSBURG)		
		SHORTFIELD RUNWAY	2,500	2,500
TOTAL: WEST VIRGINIA		--	11,200	11,200
WISCONSIN				
	ARMY			
		BADGER AAP		
		OPEN/CLOSE LANDFILL	980	980

1/ authorized at $338,000,000 and authorized for appropriations at $11,200,000 in fiscal year 1985, authorized for appropriations at $26,000,000 in fiscal year 1986, and recommended authorization for appropriations at $72,100,000 in fiscal year 1987

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS
INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
	DEFENSE LOGISTICS AGENCY			
		FORT MCCOY		
		HAZARDOUS MATERALS/WASTE STORAGE FACILITY	0	260
	ARMY NATIONAL GUARD			
		CAMP WILLIAMS		
		LOGISTICAL FACILITY DAS3 CLIX	110	110
		VARIOUS LOCATIONS		
		ARMORY UNIT STORAGE BUILDINGS	290	290
	AIR NATIONAL GUARD			
		TRUAX FIELD		
		ADD TO AIRCRAFT ENGINE SHOP	900	900
		ALTER BASE ENGINEER MAINTENANCE SHOP	386	386
		COMPOSITE SQUADRON OPERATIONS	2,200	2,200
	ARMY RESERVE			
		FOND DU LAC		
		ARMY RESERVE CENTER TANK TRAINING FACILITY	1,562	1,562
		RACINE		
		LAND ACQUISITION	235	235
	AIR FORCE RESERVE			
		BILLY MITCHELL FIELD		
		CONSTRUCT SQUADRON OPERATIONS FACILITY	1,565	1,565
TOTAL: WISCONSIN		--	8,228	8,488
WYOMING				
	AIR FORCE			
		FE WARREN AFB		
		ADD/ALTER ENERGY MONITORING/CONTROL SYS	2,600	2,600
		COMBAT ARMS TRAINING/MAINT FACS	550	550
		PEACEKEEPER-ACCESS ROADS	14,500	14,500
		PEACEKEEPER-LAUNCH FACILITIES SITE WORK	5,000	0
		PEACEKEEPER-REAL ESTATE	400	400
	ARMY NATIONAL GUARD			
		CAMP GUERNSEY		
		MESS HALL REHAB	641	641
		RANGE, FIELD FIRE	175	175
TOTAL: WYOMING		--	23,866	18,866
CONUS CLASSIFIED				
	ARMY			

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS
INSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		CLASSIFIED LOCATION		
		CLASSIFIED PROJECT	7,400	7,400
	DEFENSE LEVEL ACTIVITIES			
		CLASSIFIED LOCATION		
		CLASSIFIED PROJECT	3,000	0
	NATIONAL SECURITY AGENCY			
		CLASSIFIED LOCATION		
		CLASSIFIED PROJECT	4,000	4,000
		CLASSIFIED PROJECT	3,000	3,000
		CLASSIFIED PROJECT	1,000	1,000
	AIR FORCE RESERVE			
		AIR FORCE RESERVE		
		H-70 SERVICE AND STORAGE FACILITY	250	250
TOTAL: CONUS CLASSIFIED		--	18,650	15,650
CONUS UNSPECIFIED				
	AIR FORCE			
		CONUS UNSPECIFIED		
		SPECIAL TACTICAL DETACHMENT	37,056	37,056
	AIR FORCE RESERVE			
		AIR FORCE RESERVE		
		ADD-ALTER MISCELLANEOUS SHOPS	1,350	1,350
		ALTER AVIONICS SHOP	650	650
TOTAL: CONUS UNSPECIFIED		--	39,056	39,056
CONUS VARIOUS				
	AIR FORCE			
		BASE THIRTY NINE		
		F15E-ADD/ALTER FLIGHT SIMULATOR FAC	2,300	2,300
		WEST CONUS		
		OTH-B RADAR TRANS STANDBY POWER LINE	18,000	7,500
		OTH-B TRANSMITTER/RCVR SUPPORT FACS	2,800	2,800
	AIR NATIONAL GUARD			
		CONUS VARIOUS		
		AIRCRAFT ARRESTING SYSTEMS	1,700	1,700
		FLIGHT SIMULATOR FACILITIES	2,683	2,683
		POWER CHECK PADS WITH SUPPRESSOR	4,000	4,000
TOTAL: CONUS VARIOUS		--	31,483	20,983

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS OUTSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
AUSTRALIA				
	NAVY			
		NAVAL COMMUNICATION STATION HAROLD E HOLT		
		EMERGENCY COOLING SYSTEM	310	310
		PUBLIC WORK SHOP	1,870	1,870
	AIR FORCE			
		WOOMERA AS		
		SOLID STATE UNINTERRUPT POWER SUPPLY SFT	2,300	2,300
TOTAL: AUSTRALIA			4,480	4,480
BAHAMAS				
	NAVY			
		NAVAL UNDERWATER SYSTEMS CTR ANDROS ISLAND		
		CIVILIAN QUARTERS	3,730	3,730
TOTAL: BAHAMAS			3,730	3,730
BAHRAIN ISLAND				
	NAVY			
		ADMINISTRATIVE SUPPORT UNIT		
		INDOOR RECREATION FACILITY	2,550	2,550
TOTAL: BAHARAIN ISLAND			2,550	2,550
BELGIUM				
	AIR FORCE			
		FLORENNES		
		GLCM-AUTOMOTIVE HOBBY SHOP	520	0
		GLCM-COMMISSARY	3,500	0
		GLCM-DATA PROCESSING FACILITY	1,200	1,200
		GLCM-EXCHANGE COMPLEX	2,850	0
		GLCM-YOUTH CENTER	750	0
	DEFENSE LEVEL ACTIVITIES			
		SHAPE HQ - CASTEAU		
		ELEMENTARY AND HIGH SCHOOL ADDITION	1,260	1,260
TOTAL: BELGIUM			10,080	2,460
BERMUDA				
	DEFENSE LEVEL ACTIVITIES			
		NAVAL AIR STATION		
		ELEMENTARY SCHOOL	4,280	4,280
TOTAL: BERMUDA			4,280	4,280

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS
OUTSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
CUBA				
	NAVY			
		NAVAL STATION GUANTANAMO BAY		
		STANDBY ELECTRIC POWER GENERATORS	2,600	2,600
TOTAL: CUBA		--	2,600	2,600
DIEGO GARCIA				
	AIR FORCE			
		DIEGO GARCIA		
		GLOBAL POSITIONING SYS INTERNET FACILITIES	3,900	0
		VEHICLE MAINTENANCE/STORAGE FACILITY	800	0
TOTAL: DIEGO GARCIA		---	4,700	0
GERMANY				
	ARMY			
		ANSBACH		
		AMMUNITION STORAGE	860	860
		CHILD DEVELOPMENT CENTER	930	930
		ASCHAFFENBURG		
		HARDSTAND	3,650	3,650
		TACTICAL EQUIPMENT SHOP	3,350	3,350
		BAD KREUZNACH		
		FACILITY MODERNIZATION	10,200	10,200
		BAMBERG		
		FACILITY MODERNIZATION	18,000	18,000
		BAUMHOLDER		
		AMMUNITION STORAGE	4,400	4,400
		CHILD DEVELOPMENT CENTER	2,000	2,000
		COMMAND AND CONTROL BUILDING	10,000	10,000
		FACILITY MODERNIZATION PHASE IV	12,400	0
		SEWER/POL SEPARATOR	2,050	2,050
		BITBURG TRAINING AREA		
		AMMUNITION STORAGE	520	520
		BARRACKS	13,800	13,800
		DINING FACILITY	1,850	1,850
		HEATING PLANT	2,550	2,550
		TACTICAL EQUIPMENT SHOP	1,200	1,200
		CRAILSHEIM		

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS OUTSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		FAMILY HOUSING NEW CONSTRUCTION (40)	4,100	4,100
		DARMSTADT		
		FAMILY HOUSING NEW CONSTRUCTION (40)	3,150	3,150
		EINSIEDLERHOF		
		TRAINING EXERCISE FACILITY	4,750	4,750
		ERLANGEN		
		FAMILY HOUSING NEW CONSTRUCTION (106)	9,400	9,400
		FRANKFURT		
		CRIME LABORATORY MODERNIZATION/ADDITION	3,500	0
		FULDA		
		CHILD DEVELOPMENT CENTER	1,000	1,000
		GIESSEN GENERAL DEPOT		
		DINING FACILITY	2,100	2,100
		FACILITY MODERNIZATION	16,000	0
		FACILITY MODERNIZATION PHASE III	970	970
		FUEL STATION	3,500	3,500
		GEOPPINGEN		
		SITE SUPPORT UPGRADE	1,850	1,850
		HANAU		
		AIRCRAFT MAINTENANCE HANGAR	7,100	7,100
		CHILD DEVELOPMENT CENTER	1,850	1,850
		FACILITY MODERNIZATION	11,000	11,000
		FLIGHT SIMULATOR BUILDING	3,700	3,700
		HARDSTAND	2,500	2,500
		HEIDELBERG		
		CHILD DEVELOPMENT CENTER	1,600	1,600
		HEILBRONN		
		BARRACKS	2,100	2,100
		HERZO BASE		
		FAMILY HOUSING NEW CONSTRUCTION (34)	3,300	3,300
		HOHENFELS TNG AREA		
		COMBAT MANEUVER TRAINING COMPLEX	8,800	8,800
		KAISERSLAUTERN		
		PETROLEUM LABORATORY	1,400	1,400

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS OUTSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		KARLSRUHE		
		FACILITY MODERNIZATION	10,000	10,000
		LOCATION 280		
		AIR CONDITIONING UPGRADE	2,100	2,100
		MAINZ		
		FAMILY HOUSING NEW CONSTRUCTION (20)	1,850	0
		MANNHEIM		
		RANGE COMPLEX	2,450	2,450
		NEU ULM		
		SITE SUPPORT UPGRADE	2,850	2,850
		SITE SUPPORT UPGRADE	19,000	19,000
		TACTICAL EQUIPMENT SHOP	4,200	4,200
		NUERNBERG		
		FERRIS BARRACKS	5,500	5,500
		RHEINBERG		
		ADMINISTRATIVE SPACE ALTERATION	7,200	7,200
		AUTOMATED DATA PROCESSING FACILITY	680	680
		BARRACKS WITH DINING	14,800	14,800
		CHILD DEVELOPMENT CENTER	930	930
		COMMUNICATIONS CENTER CONVERSION	400	400
		LOGISTICAL SUPPLY FACILITY	6,700	6,700
		PHYSICAL FITNESS TRAINING CENTER	4,900	4,900
		SCHWEINFURT		
		CHILD DEVELOPMENT CENTER	900	900
		FACILITY MODERNIZATION	16,000	0
		FACILITY MODERNIZATION PHASE IV	8,500	8,500
		TACTICAL EQUIPMENT SHOP	13,600	13,600
		FAMILY HOUSING NEW CONSTRUCTION (90)	8,400	8,400
		STUTTGART		
		SEWER SYSTEM UPGRADE	820	820
		VARIOUS SITES		
		MAINTENANCE TRAINING FACILITY	1,850	1,850
		SITE SECURITY ENHANCEMENTS	17,000	7,000
		WARTIME HOST NATION SUPPORT	17,500	4,500
		VILSECK		
		BARRACKS	6,800	6,800
		CHAPEL/RELIGIOUS EDUCATION FACILITY	3,450	3,450
		COMMISSARY SALES	7,300	0

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS
OUTSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		EXCHANGE MAIN RETAIL STORE	8,000	0
		POST OFFICE	1,300	0
		PROVOST MARSHAL FACILITY	1,800	1,800
		RELOCATE AMMUNITION AREA	920	920
		UNACCOMPANIED OFFICER HOUSING	4,050	4,050
		UTILITIES	36,000	36,000
		FAMILY HOUSING NEW CONSTRUCTION (224)	21,000	21,000
		WILDFLECKEN		
		VEHICLE WASH FACILITY	3,800	0
		FAMILY HOUSING NEW CONSTRUCTION (24)	2,050	2,050
		WUERZBURG		
		CHILD DEVELOPMENT CENTER	900	900
		CHILD DEVELOPMENT CENTER	1,000	1,000
	AIR FORCE			
		BITBURG AB		
		ADD-ALTER SEWAGE TREATMENT PLANT	1,500	1,500
		ALTER BASE MAIN ENTRANCE	440	440
		DIGITAL EUROPEAN BACKBONE FACILITY	1,200	1,200
		PASSIVE DEFENSE EQUIP STORAGE FACILITY	770	770
		RAPID RUNWAY REPAIR EQUIP STORAGE FAC	960	960
		WATER STORAGE TANK	480	480
		FAMILY HOUSING NEW CONSTRUCTION (332)	26,415	26,415
		HAHN AB		
		ADD TO VEHICLE MAINTENANCE FACILITY	1,900	1,900
		ADD-ALTER FIRE STATION	1,100	1,100
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	2,300	2,300
		ALTERNATE LAUNCH/RECOVERY SURFACE (ALRS)	2,100	0
		POST OFFICE	980	0
		RAPID RUNWAY REPAIR EQUIP STORAGE BLDG	840	840
		SECURITY POLICE OPERATIONS FACILITY	1,100	1,100
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	1,400	1,400
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	4,000	4,000
		FAMILY HOUSING NEW CONSTRUCTION (150)	11,300	11,300
		HESSISCH		
		ADD-ALTER COMPOSITE RECREATION CENTER	2,000	0
		LINDSEY AS		
		DIGITAL EUROPEAN BACKBONE FACILITY	1,200	1,200
		PRUEM AS		
		COMPOSITE RECREATION CENTER	1,150	0

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		RAMSTEIN AB		
		ADD TO NONCOMMISSIONED OFFICER ACADEMY	1,850	0
		ADD-ALTER VEHICLE MAINTENANCE SHOPS	6,000	6,000
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	2,900	2,900
		F16-ADD/ALTER AEROSPACE SUPPORT EQUIP COMP	1,600	1,600
		F16-AIRCRAFT MAINTENANCE FACILITY	1,200	1,200
		F16-CENTRAL SECURITY CONTROL FACILITY	2,050	2,050
		F16-MUNITIONS LOAD CREW TRAINING FACILITY	2,350	2,350
		F16-WAREHOUSE	2,200	2,200
		OUTDOOR PROCESSING-PALLET STORAGE AREA	1,350	1,350
		PROTECTED COMBAT TARGETING CENTER	36,000	0
		SECURITY LIGHTING	420	420
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	3,000	3,000
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	6,300	6,300
		VISITING OFFICER QUARTERS	3,000	0
		WATER STORAGE TANK	2,600	2,600
		WEAPONS STORAGE AND SECURITY SYSTEM	800	0
		RHEIN-MAIN AB		
		FIRE PROTECTION SYSTEM	1,300	1,300
		SEMBACH AB		
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	4,900	4,900
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	1,450	1,450
		VEHICLE MAINTENANCE FACILITY	1,050	1,050
		C130-CENTRAL SECURITY CONTROL	2,200	2,200
		C130-SENSITIVE COMPARTMENTED INFO FAC	1,500	1,500
		C130-ADD/ALTER FIRE STATION	770	770
		SPANGDAHLEM AB		
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	3,700	3,700
		CHEM WARFARE-SQUADRON OPERATIONS FACILITY	1,700	1,700
		GROUND DEFENSE MUNITION STORAGE IGLOOS	560	560
		POST OFFICE	1,050	0
		VEHICLE MAINTENANCE FACILITY	2,350	2,350
		WUESCHHEIM		
		GLCM-BASE CIVIL ENG PAVEMENTS/GROUND SHOP	310	310
		ZWEIBRUCKEN AB		
		ALTERNATE LAUNCH/RECOVERY SURFACE (ALRS)	3,550	0
		CHEM WARFARE-AIR PHOTO INTERP FACILITY	950	950
		CHEM WARFARE-SQUADRON OPERATIONS FACILITY	1,940	1,940
		EDS-FORWARD STORAGE WAREHOUSE	1,100	1,100
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	2,750	2,750

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
	DEFENSE LEVEL ACTIVITIES			
		ASCHAFFENBERG		
		ELEMENTARY/JUNIOR HIGH SCHOOL ADDITION	6,600	6,600
		BAD KISSINGEN		
		ELEMENTARY SCHOOL ADDITION	1,330	1,330
		BAUMHOLDER		
		ELEMENTARY SCHOOL ADDITION	1,600	1,600
		BOEBLINGEN		
		DISPENSARY AND DENTAL CLINIC	3,650	3,650
		DEXHEIM		
		ELEMENTARY SCHOOL ADDITION	2,430	2,430
		ERLANGEN		
		ELEMENTARY SCHOOL ADDITION	3,220	3,220
		GELNHAUSEN		
		ELEMENTARY SCHOOL ADDITION	1,130	1,130
		GRAFENWOEHR		
		DISPENSARY AND DENTAL CLINIC	3,950	3,950
		ELEMENTARY SCHOOL ADDITION	2,500	2,500
		HAHN AIR BASE		
		HIGH SCHOOL ADDITION	3,470	3,470
		HEIDELBERG		
		ELEMENTARY AND HIGH SCHOOL	3,190	3,190
		HESSISCH-OLDENDORF		
		ELEMENTARY SCHOOL	2,310	2,310
		HOHENFELS		
		ELEMENTARY SCHOOL ADDITION	1,190	1,190
		KAISERLAUTERN AIR BASE		
		ELEMENTARY AND HIGH SCHOOL ADDITION	7,880	7,880
		KARLSRUHE		
		DISPENSARY AND DENTAL CLINIC	6,800	6,800
		NUERNBERG		
		ELEMENTARY SCHOOL	8,580	8,580

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		SCHWAEBISCH GMUEND		
		ELEMENTARY SCHOOL ADDITION	1,640	1,640
		STUTTGART		
		ELEMENTARY AND JUNIOR HIGH SCHOOL ADDITION	4,530	4,530
		VILSECK		
		DISPENSARY AND DENTAL CLINIC	5,600	5,600
		WUERZBURG		
		MIDDLE SCHOOL	7,760	7,760
	DEFENSE LOGISTICS AGENCY			
		DEF REUTILIZATION & MARKETING OFC BITBURG		
		COVERED STORAGE	650	0
TOTAL: GERMANY		---	697,825	551,545
GREECE				
	ARMY			
		GREECE		
		OPERATIONS BUILDING	560	560
		OPERATIONS BUILDING MODERNIZATION	730	0
	AIR FORCE			
		IRAKLION AS		
		2ND ECHELON MEDICAL LOGISTICS STORAGE FAC	320	320
TOTAL: GREECE		---	1,610	880
GREENLAND				
	AIR FORCE			
		SONDRESTROM AB		
		UNACCOMPANIED PERSONNEL HOUSING	5,860	5,860
		THULE AB		
		ALTER SATCOM GROUND TERMINAL	1,540	1,540
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	2,200	2,200
		FIRE STATION	3,900	3,900
		SOLID STATE UNINTERRUPT POWER SUPPLY SPT	2,150	2,150
TOTAL: GREENLAND		---	15,650	15,650
GUAM				
	NAVY			
		MOBILE CONSTR BATTALION CAMP COVINGTON		
		BACHELOR HOUSING	15,500	15,500

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		NAVAL COMM AREA MASTER STA WESTPAC GUAM		
		FIRE PROTECTION SYSTEM	480	480
		NAVAL FACILITY		
		SECURITY IMPROVEMENTS	820	820
		NAVAL SECURITY GROUP DETACHMENT GUAM		
		OCEAN SURVEILLANCE BUILDING ADDITION	2,150	2,150
		NAVAL SUPPLY DEPOT GUAM		
		FLEET SUPPORT WAREHOUSE MODIFICATIONS	400	400
		NAVY PUBLIC WORKS CENTER GUAM		
		POWER PLANT MODIFICATIONS	1,080	1,080
		VEHICLE SERVICE CENTER	490	490
	AIR FORCE			
		ANDERSON AFB		
		ALTER JET FUEL STORAGE FACILITIES	7,600	7,600
	ARMY RESERVE			
		APRA HEIGHTS		
		EQUIPMENT CONCENTRATION SITE/MAINT FAC	888	888
TOTAL: GUAM			29,408	29,408
ICELAND				
	NAVY			
		NAVAL AIR STATION KEFLAVIK		
		AIRFIELD PAVEMENTS	13,490	13,490
		FUEL FACILITIES	13,300	0
		MAINTENANCE HANGAR ALTERATIONS	350	350
		FAMILY HOUSING NEW CONSTRUCTION (250)	48,642	48,642
		NAVAL FACILITY KEFLAVIK		
		STANDBY GENERATOR PLANT	1,570	1,570
	AIR FORCE			
		KEFLAVIK		
		ACCOUNTING AND FINANCE FACILITY	1,600	1,600
TOTAL: ICELAND			78,952	65,652
ITALY				
	ARMY			
		CAMP DARBY		
		BARRACKS	610	610

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		LIVORNO		
		FAMILY HOUSING NEW CONSTRUCTION (90)	7,700	0
	NAVY			
		NAV COM AREA MASTER STATION MED NAPLES		
		SIGONELLA TRANSMITTER FACILITY	8,250	8,250
		NAVAL AIR STATION SIGONELLA		
		CHAPEL FACILITIES	1,370	0
		NAVAL SUPPORT ACTIVITY NAPLES		
		AIR CARGO TERMINAL	5,500	0
		CMD CONTROL COMMS & INTELLIGENCE COMPLEX	18,000	0
		SUBMARINE MOORING FACILITY	1,570	1,570
	AIR FORCE			
		AVIANO AB		
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	4,200	4,200
		CAMP DARBY		
		SEGREGATED MAGAZINE	270	270
		COMISO AB		
		CHEM WARFARE-CENTRAL SECURITY CONTROL FAC	1,500	1,500
		CHEM WARFARE-WING COMMAND POST FACILITY	1,500	1,500
		GLCM-ARTS AND CRAFTS SHOP	370	0
		GLCM-AUTOMOTIVE HOBBY SHOP	410	0
		GLCM-RECREATION LIBRARY	230	230
		SAN VITO AS		
		2ND ECHELON MEDICAL LOGISTICS STORAGE FAC	490	490
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	3,300	3,300
		VISITING OFFICER QUARTERS	2,450	0
	DEFENSE LEVEL ACTIVITIES			
		NAPLES		
		ELEMENTARY AND HIGH SCHOOL	19,590	0
		REPLACEMENT HOSPITAL	29,300	0
TOTAL: ITALY		--	106,610	21,920
JAPAN				
	ARMY			
		KAWAKAMI		
		MEDICAL SUPPLY WAREHOUSE	1,200	1,200

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
	NAVY			
		MARINE CORPS AIR STATION FUTENMA OKINAWA		
		ENGINE MAINTENANCE SHOP	3,440	3,440
		PASSENGER TERMINAL	830	830
		MARINE CORPS BASE CAMP BUTLER OKINAWA		
		BUILDING ENVIRONMENTAL IMPROVEMENTS	6,200	6,200
		ELECTRONICS & COMMUNICATIONS MAINT SHOP	2,750	2,750
	AIR FORCE			
		KADENA AB		
		ADD-ALTER HYDRANT REFUELING SYS-PHASE II	7,100	7,100
		VEHICLE CORROSION CONTROL SUPPORT FACILITY	265	265
		MISAWA AB		
		COMMANDO PORT-IV-CONCRETE ARCH IGLOO MAG	3,050	3,050
		COMMANDO PORT-IV-MUNITIONS PRELOAD COMP	7,250	7,250
		TOTSUKA		
		ADD TO TELECOMMUNICATIONS FACILITY	700	700
		YOKOSUKA		
		ADD TO TELECOMMUNICATIONS FACILITY	600	600
		YOKOTA AB		
		JET FUEL STORAGE	4,900	4,900
	DEFENSE LOGISTICS AGENCY			
		DEF FUEL SUPPORT POINT CHIMU WAN OKINAWA		
		FUEL TANKAGE	6,640	6,640
		DEF FUEL SUPPORT POINT TSURUMI		
		FUEL TANKAGE	3,520	3,520
TOTAL: JAPAN		---	48,445	48,445
KOREA				
	ARMY			
		CAMP CARROLL		
		STORAGE WAREHOUSE	920	920
		TACTICAL EQUIPMENT SHOP	820	820
		CAMP CASEY		
		AUTOMATED FIELD FIRE RANGE	3,600	3,600
		BARRACKS	15,500	15,500
		COMMUNICATION/ELECTRONICS MAINTENANCE FACS	490	490
		TACTICAL EQUIPMENT SHOP MOD/ADDN	3,400	3,400

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		TANK RANGE	1,950	1,950
		CAMP CASTLE		
		BARRACKS	1,950	1,950
		FLAMMABLE MATERIAL STORAGE	2,850	2,850
		CAMP ESSAYONS		
		BARRACKS	1,850	1,850
		PHYSICAL FITNESS TRAINING CENTER	1,150	1,150
		CAMP GREAVES		
		BARRACKS	2,350	2,350
		PHYSICAL FITNESS TRAINING CENTER	1,300	1,300
		TACTICAL EQUIPMENT SHOP	340	0
		CAMP HOVEY		
		BARRACKS	4,650	4,650
		DINING FACILITY	4,350	4,350
		CAMP HOWZE		
		BARRACKS	4,050	4,050
		TACTICAL EQUIPMENT SHOP	1,800	1,800
		CAMP HUMPHREYS		
		AIRCRAFT MAINTENANCE HANGAR	1,500	1,500
		BARRACKS	5,700	5,700
		TACTICAL EQUIPMENT SHOP	5,900	5,200
		UNIT MAINTENANCE HANGAR	3,700	3,700
		CAMP JACKSON		
		BARRACKS	1,800	1,800
		CAMP LAGUARDIA		
		AIRFIELD FIRE STATION	320	320
		BARRACKS	2,650	2,650
		CAMP LIBBY		
		TACTICAL EQUIPMENT SHOP	1,100	1,100
		CAMP LIBERTY BELL		
		BARRACKS	780	780
		CAMP LONG		
		BARRACKS MODERNIZATION	5,600	5,600
		CAMP MARKET		
		UNACCOMPANIED OFFICER HOUSING	540	540

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		CAMP NIMBLE		
		BARRACKS	1,950	1,950
		CAMP PAGE		
		UNACCOMPANIED OFFICER HOUSING	1,400	1,400
		CAMP PELHAM		
		BARRACKS	980	980
		TACTICAL EQUIPMENT SHOP	1,300	1,300
		CAMP RED CLOUD		
		DINING FACILITY	2,250	2,250
		TACTICAL EQUIPMENT SHOP	2,300	2,300
		CAMP STANLEY		
		BARRACKS	2,450	2,450
		DINING FACILITY	2,250	2,250
		H220		
		BARRACKS	2,750	2,750
		K-16 ARMY AIRFIELD		
		FLIGHT SIMULATOR BUILDING	1,600	1,600
		TACTICAL EQUIPMENT SHOP	920	920
		LOC 177		
		POWER UPGRADE	1,950	1,950
		PUSAN		
		BARRACKS	1,500	1,500
		BARRACKS	5,900	5,900
		FIRE STATION	340	340
		GENERAL PURPOSE WAREHOUSE	3,800	3,800
		PHYSICAL FITNESS TRAINING CENTER	1,400	1,400
		SECOND INFANTRY		
		BARRACKS	2,800	2,800
		ORGANIZATION MAINTENANCE SHOP	2,350	2,350
		TAEGU		
		UNDERGROUND COMMAND AND CONTROL FACILITY	4,900	4,900
		YONGSON		
		BARRACKS	2,500	2,500
		BATTALION HEADQUARTERS	760	760
		TACTICAL EQUIPMENT SHOP	2,500	2,500
		TACTICAL EQUIPMENT SHOP	1,000	1,000
		UPGRADE TACTICAL EQUIPMENT SHOP	1,000	1,000

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		WIDEN ROAD	1,000	1,000
	AIR FORCE			
		CAMP HUMPHREYS		
		OPERATIONS/MAINT/STORAGE FACILITIES	8,300	8,300
		CAMP RED CLOUD		
		MAINTENANCE-STORAGE-VEHICLE/EQ PARKING	1,450	1,450
		KIMHAE AB		
		PORTOMOD WAREHOUSE	570	570
		UNACCOMPANIED PERSONNEL HOUSING	3,050	3,050
		KUNSAN AB		
		ADD TO AIRCRAFT APRON	1,050	0
		AIRCRAFT MAINTENANCE MANAGEMENT FACILITY	2,050	2,050
		AIRCRAFT MAINTENANCE UNIT FACILITY	1,800	0
		ALTER ELECTRICAL DISTRIBUTION SYS-PH II	2,600	2,600
		BASE CIVIL ENGINEER FACILITY	840	840
		PORTOMOD WAREHOUSE	600	600
		SECURITY LIGHTING SYSTEM	1,650	1,650
		UPGRADE WATER DISTRIBUTION	430	430
		KWANG-JU AB		
		PORTOMOD WAREHOUSE	600	600
		OSAN AB		
		ADD-ALTER PRIMARY ELECTRICAL DIST SYSTEM	5,400	5,400
		AIRCRAFT MAINTENANCE FACILITIES	3,000	3,000
		ALTER AIRMEN DINING HALL	1,150	0
		CHAPEL CENTER	2,300	0
		MUNITIONS MAINT-STORAGE FACS-PHASE II	5,950	5,950
		FAMILY HOUSING NEW CONSTRUCTION (1)	160	0
		SUWON		
		MUNITIONS MAINTENANCE AND STORAGE FACS	3,250	3,250
		PORTOMOD WAREHOUSE	600	600
		TAEGU AB		
		AIRMEN DINING HALL	2,350	2,350
		PORTOMOD WAREHOUSE	1,070	1,070
		UNACCOMPANIED OFFICER PERSONNEL HOUSING	1,750	1,750
	DEFENSE LEVEL ACTIVITIES			
		CAMP EDWARDS		

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		HEALTH/DENTAL CLINIC	1,800	1,800
		CAMP LONG		
		DISPENSARY/DENTAL CLINIC	1,850	1,850
		CAMP PELHAM		
		TROOP AID STATION	720	720
		SEOUL		
		HIGH SCHOOL UPGRADING	510	510
	DEFENSE LOGISTICS AGENCY			
		DEF FUEL SUPPORT POINT TOEGYEWON		
		FUEL TANKAGE	1,010	1,010
		DEF REUTILIZATION & MARKETING OFC BUPYONG		
		COVERED STORAGE	1,290	1,290
TOTAL: KOREA		--	195,910	188,410
KWAJALEIN				
	ARMY			
		KWAJALEIN		
		HARBOR/CHANNEL DREDGING	2,100	2,100
		MISSION CONTROL CENTER MODIFICATION	5,100	5,100
		MULTIPLE OBJECT TRACKING FACILITY	2,400	2,400
		UNACCOMPANIED OFFICER HOUSING	11,000	11,000
		FAMILY HOUSING NEW CONSTRUCTION (136)	23,000	23,000
	STRATEGIC DEFENSE INITIATIVE ORGANIZATION			
		MISSILE RANGE		
		TARGET LAUNCH COMPLEX	1,340	0
TOTAL: KWAJALEIN		--	44,940	43,600
MARIANA ISLANDS				
	AIR FORCE			
		SAIPAN		
		PACBAR RADAR BARRIER III	5,200	5,200
TOTAL: MARIANA ISLANDS		--	5,200	5,200
MOROCCO				
	AIR FORCE			
		VARIOUS LOCATIONS-MOROCCO		
		PETROLEUM RESUPPLY SYSTEM	25,400	0

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STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
TOTAL: MOROCCO		--	25,400	0
NETHERLANDS				
	AIR FORCE			
		CAMP NEW AMSTERDAM		
		ADD TO BASE SUPPLY COMPLEX	2,450	0
		ADD-ALTER CHAPEL	1,300	0
		CHEM WARFARE-SQUADRON OPERATIONS FACILITY	930	930
		COMMUNICATIONS MAINTENANCE FACILITY	570	570
		WOENSDRECHT AB		
		GLCM-BASE CIVIL ENGINEER COMPLEX	3,500	3,500
		GLCM-BASE SUPPLY COMPLEX	2,350	2,350
		GLCM-DINING HALL	1,600	0
		GLCM-FIRE STATION	1,000	1,000
		GLCM-HIGH FREQUENCY FACILITY	1,600	1,600
		GLCM-OPERATIONS/MAIN TRAINING FACS	1,700	1,700
		GLCM-SUBSISTENCE STORAGE FACILITY	1,050	1,050
		GLCM-TELECOMMUNICATIONS CENTER	1,000	1,000
		GLCM-TOWER SUPPORT	350	350
		GLCM-UNACCOMP ENLISTED PERSONNEL HOUSING	7,300	5,380
		GLCM-UNACCOMP OFFICER PERSONNEL HOUSING	3,000	3,000
		GLCM-UTILITIES, PAVEMENTS AND ROADS	8,600	8,600
		GLCM-VEHICLE CORROSION CONTROL FACILITY	700	700
		GLCM-VEHICLE OPERATIONS COMPLEX	550	550
	DEFENSE LEVEL ACTIVITIES			
		CAMP NEW AMSTERDAM		
		CLINIC/DENTAL CLINIC	6,000	6,000
		WOENDRECHT		
		ELEMENTARY AND HIGH SCHOOL ADDITION	7,420	7,420
TOTAL: NETHERLANDS		--	52,970	45,700
OMAN				
	AIR FORCE			
		MASIRAH AB		
		SW ASIA-CARETAKER CONTRACTOR SPT FACS	3,500	3,500
		THUMRAIT AB		
		SW ASIA-CARETAKER CONTRACTOR SPT FACS	3,400	3,400
TOTAL: OMAN		--	6,900	6,900

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS OUTSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
PANAMA				
	ARMY			
		FORT KOBBE		
		AIRCRAFT PARKING APRON EXTENSION	420	0
TOTAL: PANAMA			420	0
PHILIPPINES				
	NAVY			
		NAVAL AIR STATION CUBI POINT		
		BACHELOR OFFICER QUARTERS	5,300	0
		NAVAL COMMUNICATION STATION SAN MIGUEL		
		FIRE PROTECTION SYSTEM	470	0
		NAVAL SHIP REPAIR FACILITY SUBIC BAY		
		ABRASIVE BLAST FACILITY	1,770	0
		NAVAL STATION SUBIC BAY		
		CONSTRUCTION BATTALION CAMP	1,710	0
		NAVAL SUPPLY DEPOT SUBIC BAY		
		DATA PROCESSING CENTER ADDITION	290	0
		NAVY PUBLIC WORKS CENTER SUBIC BAY		
		FACILITY ENERGY IMPROVEMENTS	2,100	0
	AIR FORCE			
		CLARK AFB		
		AEROSPACE SYS BRANCH/ENGINE DISPATCH FAC	1,050	0
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	1,850	0
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	3,150	0
		CHILD CARE CENTER	2,000	0
		COPE THUNDER OPERATIONS FACILITY	4,650	0
		ESSENTIAL MAINTENANCE FACILITIES-PHASE II	4,600	0
		FIRE STATION	760	0
		PARALLEL RUNWAY	32,500	0
		PETROLEUM OPERATIONS FACILITY	1,650	0
		PORTOMOD WAREHOUSE	460	0
		UPGRADE POWER PLANT-PHASE IV	8,600	0
TOTAL: PHILIPPINES			72,910	0
PORTUGAL				
	AIR FORCE			
		LAJES FIELD		
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	4,750	4,750
		HYDRANT REFUELING SYSTEM	8,300	8,300

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS
OUTSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		UNACCOMPANIED OFFICER PERSONNEL HOUSING	2,700	2,700
TOTAL: PORTUGAL		--	15,750	15,750
PUERTO RICO				
	NAVY			
		LANT FLT WPNS TRAINING FAC ROOSEVELT ROADS		
		LAND ACQUISITION	195	0
		RANGE OPERATIONS CENTER ADDITION	4,220	4,220
		NAVAL SECURITY GROUP ACTIVITY SABANA SECA		
		BACHELOR ENLISTED QUARTERS IMPROVEMENTS	790	790
		NAVAL STATION ROOSEVELT ROADS		
		CONSTRUCTION BATTALION EQUIPMENT MAIN FAC	3,930	3,930
		SECURITY FACILITIES	2,360	2,360
		UNDERWATER DEMOLITION TEAM FACILITIES	790	790
	ARMY NATIONAL GUARD			
		CAMP SANTIAGO (SALINAS)		
		BRIDGE, HIGHWAY	148	148
		RANGE, COMBAT PISTOL	156	156
		RANGE, TANK TABLE VI	190	190
	ARMY RESERVE			
		FORT ALLEN		
		ARMY RESERVE CENTER MAINT/STORAGE	7,784	7,784
TOTAL: PUERTO RICO		--	20,563	20,368
SCOTLAND				
	NAVY			
		NAVAL SECURITY GROUP ACTIVITY EDZELL		
		OCEAN SURVEILLANCE BUILDING ADDITIONS	2,250	2,250
TOTAL: SCOTLAND		--	2,250	2,250
SPAIN				
	NAVY			
		NAVAL STATION ROTA		
		POL PIPELINE IMPROVEMENTS	4,600	4,600
	AIR FORCE			
		TORREJON AB		
		SATELLITE COMMUNICATIONS GROUND TERMINAL	1,450	0
		ZARAGOZA AB		

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS OUTSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		2ND ECHELON MEDICAL LOGISTICS STORAGE FAC	540	0
TOTAL: SPAIN		--	6,990	4,600
TURKEY				
	ARMY			
		LOCATION 276		
		BARRACKS MODERNIZATION	3,700	3,700
	AIR FORCE			
		ANKARA		
		CHAPEL CENTER	1,550	1,550
		CONSOLIDATED SUPPORT CENTER	3,050	3,050
		DINING HALL	1,250	1,250
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	930	930
		INCIRLIK AB		
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	2,250	2,250
		BASE SUPPLY ADMINISTRATION FACILITY	1,200	1,200
		DINING HALL	2,350	2,350
		POST OFFICE	510	0
		VEHICLE MAINTENANCE COMPLEX	4,800	4,800
		VISITING OFFICER QUARTERS	3,400	0
		WAREHOUSE	1,650	1,650
		PIRINCLIK		
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	3,000	3,000
TOTAL: TURKEY		--	29,640	25,730
UNITED KINGDOM				
	NAVY			
		NAVAL ACTIVITIES LONDON		
		CONSOLIDATED PERSONNEL SUPPORT FACILITIES	1,180	0
		NAVAL COMMUNICATION STATION THURSO		
		PERIMETER SECURITY FENCE	350	350
	AIR FORCE			
		MOLESWORTH		
		CHEM WARFARE-CENTRAL SECURITY CONTROL FAC	1,050	1,050
		CHEM WARFARE-WING COMMAND POST FACILITY	1,050	1,050
		GLCM-BASE CIVIL ENGINEER COMPLEX	330	330
		RAF ALCONBURY		
		AIRCRAFT MAINTENANCE FACILITY	640	640

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS OUTSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		ALTER UNACCOMP ENLISTED PERSONNEL HOUSING	2,450	2,450
		DIGITAL EUROPEAN BACKBONE FACILITY	1,200	1,200
		GLCM-ADD/ALTER PHYSICAL TRAINING FACILITY	2,100	2,100
		GLCM-BASE THEATER	1,300	0
		GLCM-CONSOLIDATED SUPPORT CENTER	8,800	8,800
		TRI-AIRCRAFT MAINTENANCE FACILITY	680	680
		TRI-LIBRARY	1,050	0
		TRI-VISITING AIRMAN QUATERS	1,300	1,300
		RAF BENTWATERS		
		2ND ECHELON MEDICAL LOGISTICS STORAGE FAC	1,250	1,250
		ALTER UNACCOMP ENLISTED PERS HOUSING	3,700	3,700
		CENTRAL POST OFFICE	650	0
		DIGITAL EUROPEAN BACKBONE FACILITY	1,200	1,200
		RECREATION CENTER	2,250	0
		WATER STORAGE AND DISTRIBUTION SYSTEM	1,400	1,400
		RAF CHICKSANDS		
		ADD-ALTER WATER DISTRIBUTION SYSTEM	950	950
		RAF CROUGHTON		
		TELECOMMUNICATIONS FACILITY	630	630
		RAF FAIRFORD		
		ADD-ALTER VEHICLE MAINTENANCE FACILITY	1,700	1,700
		ORG MAINT AND SUPPORT EQUIP COMPLEX	2,750	2,750
		RAF GREENHAM COMMON		
		GLCM-TEMPORARY LIVING FACILITY	2,100	0
		RAF LAKENHEATH		
		BASE SUPPLY STORAGE SHED	500	500
		POST OFFICE	1,200	0
		RAF MARTLESHAM		
		DIGITAL EUROPEAN BACKBONE FACILITY	1,650	1,650
		RAF MILDENHALL		
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	4,700	4,700
		RAF UPPER HEYFORD		
		ADD-ALTER VEHICLE MAINTENANCE SHOP	2,300	0
		DIGITAL EUROPEAN BACKBONE FACILITY	1,200	1,200
		UNACCOMP ENLISTED PERS HSG ALTERATION	4,500	4,500
		UNACCOMPANIED ENLISTED PERSONNEL HOUSING	6,000	6,000
		RAF WELFORD		
		GROUND DEFENSE MUNITIONS STORAGE IGLOOS	830	830

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS OUTSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
		MUNITION SURVEILLANCE AND INSPECTION SHOP	760	760
		RAF WETHERSFIELD		
		2ND ECHELON MEDICAL LOGISTICS STORAGE FAC	650	650
		RAF WOODBRIDGE		
		CORROSION CONTROL FACILITY	3,400	3,400
		SUPPLY WAREHOUSE	1,650	0
TOTAL: UNITED KINGDOM		---	71,400	57,720
OVERSEAS CLASSIFIED				
	ARMY			
		OVERSEAS CLASSIFIED		
		CLASSIFIED PROJECT	4,000	4,000
	NAVY			
		OVERSEAS CLASSIFIED		
		MAGAZINES	15,700	15,700
	AIR FORCE			
		BASE THIRTY		
		TR1-UNACCOMP ENLISTED PERSONNEL HOUSING	2,950	2,950
		US AIR FORCES IN EUROPE		
		CLASSIFIED PROJECT	11,500	11,500
	NATIONAL SECURITY AGENCY			
		OVERSEAS CLASSIFIES		
		FAMILY HOUSING-CLASSIFIED PROJECT	270	270
TOTAL: OVERSEAS CLASS.		---	34,420	34,420
OVERSEAS VARIOUS				
	ARMY			
		VARIOUS LOCATIONS		
		PRE-POSITIONED WAR MATERIAL FACILITIES	4,900	0
	AIR FORCE			
		US AIR FORCES IN EUROPE		
		AUXILIARY SEISMIC NETWORK	3,953	3,953
TOTAL: OVERSEAS VARIOUS		---	8,853	3,953
WORLDWIDE UNSPECIFIED				

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS
OUTSIDE THE UNITED STATES

(AMOUNTS IN THOUSANDS OF DOLLARS)

STATE	SERVICE	INSTALLATION AND PROJECT	BUDGET REQUEST	HASC RECOMM
	DEFENSE LEVEL ACTIVITIES			
		NATO INFRASTRUCTURE	267,000	267,000
		CONTINGENCY CONSTRUCTION	5,000	5,000
	UNSPECIFIED MINOR CONSTRUCTION			
		ARMY	20,000	20,000
		NAVY	15,000	15,000
		AIRFORCE	16,000	16,000
		DEFENSE LEVEL ACTIVITIES	4,000	4,000
		ARMY NATIONAL GUARD	4,647	4,647
		AIR NATIONAL GUARD	2,130	2,130
		ARMY RESERVE	1,100	1,100
		NAVY RESERVE	1,500	1,500
		AIR FORCE RESERVE	2,580	2,580
	PLANNING AND DESIGN			
		ARMY	131,640	131,640
		NAVY	143,770	143,770
		AIR FORCE	127,260	127,260
		DEFENSE LEVEL ACTIVITIES	110,700	88,200
		ARMY NATIONAL GUARD	19,000	19,000
		AIR NATIONAL GUARD	15,420	15,420
		ARMY RESERVE	11,300	11,300
		NAVY RESERVE	5,300	5,300
		AIR FORCE RESERVE	6,560	6,560
TOTAL: WORLDWIDE UNSPEC.---			909,907	887,407
WORLDWIDE VARIOUS				
	NAVY			
		VARIOUS LOCATIONS-WORLDWIDE HOST NATION INFRASTRUCTURE SUPPORT	300	0
	DEFENSE LOGISTICS AGENCY			
		VARIOUS LOCATIONS-WORLDWIDE CONFORMING STORAGE FACILITIES	21,400	0
TOTAL: WORLDWIDE VARIOUS--			21,700	0

SUMMARY
FAMILY HOUSING

ITEM	ARMY ($000)	NAVY ($000)	AIR FORCE ($000)	DEFENSE AGENCIES ($000)	TOTAL SUMMARY ($000)
NEW CONSTRUCTION	250,830	150,712	43,196 1/	270	445,008
NUMBER OF UNITS	(3,032)	(1,368)	(522)	(3)	(4,925)
NUMBER OF MOBILE HOME SPACES	(108)	(300)	(24)	0	(432)
IMPROVEMENTS	145,930	51,580	58,644	0	256,154
PLANNING AND DESIGN	24,000	2,000	7,000	0	33,000
OPERATIONS	498,200	260,515	344,615	2,794	1,106,124
MAINTENAINCE	569,852	265,846	307,684	509	1,143,891
NUMBER OF UNITS	(158,009)	(90,688)	(138,498)	(652)	(387,847)
LEASING	173,885	22,459	79,776	14,027	290,147
NUMBER OF DOMESTIC UNITS 2/	(7,425)	(665)	(463)	0	(8,553)
NUMBER OF FOREIGN UNITS	(22,581)	(1,923)	(9,200)	(916)	(34,620)
DEBT PAYMENT	8,063	9,071	7,365	0	24,499
TOTAL REQUEST.................	1,670,760	762,183	848,280	17,600	3,298,823

1/ includes $.9 million for housing management offices and $.2 million for a maintenance shop

2/ includes 7,663 Section 801 leased housing units

FISCAL YEAR 1987 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(AMOUNTS IN THOUSANDS OF DOLLARS)

MILITARY DEPARTMENT	BUDGET REQUEST	HASC RECOMM
RECAPITULATION		
ARMY	3,445,216	3,013,060
NAVY	2,588,293	2,210,683
AIR FORCE	2,563,229	2,206,440
DEFENSE AGENCIES	692,200	516,403
NATO INFRASTRUCTURE	247,000	247,000
ARMY NATIONAL GUARD	212,100	121,100
AIR FORCE NATIONAL GUARD	140,000	140,000
ARMY RESERVE	86,700	86,700
NAVY AND MARINE CORPS RESERVE	44,500	44,500
AIR FORCE RESERVE	58,900	58,900
TOTAL MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS	9,987,138	8,644,786

DIVISION C—OTHER NATIONAL DEFENSE AUTHORIZATIONS

TITLE I—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

PURPOSE

Title I would authorize appropriations for the national security programs of the Department of Energy (DOE) for fiscal year 1987 including management and operation of programs for research, development, and production in support of the armed forces; the production of strategic and critical materials for the armed forces; protection of critical facilities, materials and information necessary for national defense; management of defense radioactive wastes; naval nuclear propulsion; and other military applications of nuclear energy. The title would authorize appropriations in two categories—Operating Expenses (sec. 3011) and Plant and Capital Equipment (sec. 3012). The title would also provide (sec. 3013) that of the funds authorized in sections 3011 and 3012, $371.0 million would be available for the Strategic Defense Initiative. In addition, the title contains 14 general provisions that would restrict the use of funds that would be authorized to be appropriated, and provide other policy guidance.

BACKGROUND

THE DEPARTMENT OF ENERGY REQUEST

Section 208 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1979 (Public Law 95-509) required the Secretary of Energy to submit to the Congress for fiscal year 1980, and for subsequent fiscal years, a single request for authorizations for appropriations for all programs of the Department of Energy involving national security and national defense matters. The Department of Energy request for fiscal year 1987 was originally introduced as H.R. 4526.

SUMMARY OF COMMITTEE CHANGES

The fiscal year 1987 budget request for DOE national security programs contained new authorizations, totalling $8,098,400,000. Of the total amount requested, $6,523,694,000 was for operating expenses, $1,027,241,000 was for construction projects, and $547,465,000 was for capital equipment not related to construction.

The committee's recommended changes to the request would authorize appropriations totalling $7,558,490,000 including authorizations of $6,180,394,000 for operating expenses, $893,701,000 for construction projects, and $484,395,000 for capital equipment not related to construction.

The recommended authorization is a net decrease of $539,910,000 below the request.

The following table summarizes the request and the committee recommendation.

Fiscal Year 1987 Department of Energy National Security Programs
[Amounts in millions of dollars]

Program	FY 1987 Authorization Request	Committee Recommendation	Change from Request
Total DOE Operating Expenses.............	6523.694	6180.394	-343.300
Total DOE Plant Construction Expenses....	1027.241	893.701	-133.540
Total DOE Capital Equipment..............	547.465	484.395	-63.070
TOTAL, DOE DEFENSE ACTIVITIES..........	8098.400	7558.490	-539.910

Fiscal Year 1987 Department of Energy National Security Programs
[Amounts in millions of dollars]

Program	FY 1987 Authorization Request	Committee Recommendation	Change from Request
Operating Expenses			
WEAPONS ACTIVITIES			
Research and Development	980.700 [1]	895.200	-85.500
Materials Research-PSP		(17.000)	(17.000)
Testing	633.800	539.800	-94.000
Production and Surveillance	1968.504	1833.604	-134.900
Program Direction	60.550	58.850	-1.700
Weapons Program	(52.450)	(50.750)	(-1.700)
Community Assistance	(8.100)	(8.100)	
Total, Weapons Activities	3643.554	3327.454	-316.100
INERTIAL CONFINEMENT FUSION			
Livermore National Laboratory	36.000 [2]	61.000	25.000
Los Alamos National Laboratory	21.500 [2]	33.000	11.500
Sandia National Laboratories	29.000 [2]	29.000	
Supporting Services	22.500	25.200	2.700
Total, Inertial Confinement Fusion	109.000	148.200 [3]	39.200
MATERIALS PRODUCTION			
Reactor Operations	616.660	616.660	
Processing of Nuclear Materials	499.830	493.830	-6.000
Special Isotope Separation	(74.900)	(70.900)	(-4.000)
Supporting Services	252.500	242.100	-10.400
Enriched Material	204.500	190.500	-14.000
Program Direction	22.900	22.900	
Total, Materials Production	1596.390	1565.990	-30.400

[1] Excludes $86.5 M for ICF.

[2] Included in Weapons R & D.

[3] Transfer $86.5 M from Weapons R & D.

Fiscal Year 1987 Department of Energy National Security Programs
[Amounts in millions of dollars]

Program	FY 1987 Authorization Request	Committee Recommendation	Change from Request
Operating Expenses (continued)			
DEFENSE WASTE AND BYPRODUCT MANAGEMENT			
Interim Waste Management..................	324.730	314.345	-10.385
Long-term Waste Management Technology...	88.820	75.205	-13.615
Terminal Storage..........................	39.100	39.100	
Program Direction.........................	2.400	2.400	
Total, Defense Nuclear Waste...........	455.050	431.050	-24.000
VERIFICATION AND CONTROL TECHNOLOGY			
Verification and Control Technology.....	91.100	86.100	-5.000
Program Direction.........................	4.400	4.400	
Total, Verification & Control Tech....	95.500	90.500	-5.000
NUCLEAR SAFEGUARDS AND SECURITY			
Nuclear Safeguards and Security..........	53.417	52.417	-1.000
Program Direction.........................	7.683	7.683	
Total, Nuclear Materials Security and Safeguards Development...........	61.100	60.100	-1.000
SECURITY INVESTIGATIONS	33.300	33.300	
NAVAL REACTORS DEVELOPMENT			
Plant Development.........................	71.000	71.000	
Reactor Development.......................	274.000	271.000	-3.000
Reactor Operation and Evaluation.........	173.000	170.000	-3.000
Program Direction.........................	11.800	11.800	
Total, Naval Reactors Development.....	529.800	523.800	-6.000
TOTAL, DOE DEFENSE ACTIVITIES OPERATING EXPENSES...................	6523.694	6180.394	-343.300

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Fiscal Year 1987 Department of Energy National Security Programs
[Amounts in millions of dollars]

Program	FY 1987 Authorization Request	Committee Recommendation	Change from Request
Plant and Capital Equipment			
WEAPONS ACTIVITIES			
87-D-101, general plant projects, various locations..........................	29.000	29.000	
87-D-121, general plant projects, various locations..........................	32.000	32.000	
87-D-102, environmental compliance and cleanup, Lawrence Livermore National Laboratory, Livermore, CA, and Site 300, CA	7.000	0.000	-7.000
87-D-104, safeguards and security enhancements II, Lawrence Livermore National Laboratory, CA..............................	4.300	0.000	-4.300
87-D-122, short-range attack missile II (SRAM II) warhead production facilities, various locations..........................	5.000	5.000	
87-D-123, protective clothing decontamination facility, Rocky Flats Plant, Golden, Colorado..........................	0.500	0.500	
87-D-127, environmental, safety, and health upgrade, Mound Plant, Miamisburg, Ohio.....	2.400	0.000	-2.400
87-D-130, receiving and shipping facility, Pinellas Plant, St. Petersburg, Florida....	0.300	0.000	-0.300
86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, CA.........	5.300	5.300	
86-D-104, strategic defense facility, Sandia National Laboratories, Albuquerque, New Mexico....................	13.000	7.000	-6.000
86-D-105 instrumentation systems laboratory, Sandia National Laboratories, Albuquerque, New Mexico....................	5.800	5.800	
86-D-106, laboratory data communications center, Los Alamos National Laboratory, Los Alamos, New Mexico.....................	12.000	1.000	-11.000

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Fiscal Year 1987 Department of Energy National Security Programs
[Amounts in millions of dollars]

Program	FY 1987 Authorization Request	Committee Recommendation	Change from Request
WEAPONS ACTIVITIES (continued)			
86-D-122, structural upgrade of existing plutonium facilities, Rocky Flats Plant, Golden, Colorado....................	2.420	2.420	
86-D-123, environmental hazards elimination, various locations............	16.840	16.840	
86-D-124, safeguards and site security upgrading, Phase II, Mound Plant, Miamisburg, Ohio...........................	1.880	1.880	
86-D-125, safeguards and site security upgrading, Phase II, Pantex Plant, Amarillo, Texas............................	8.410	8.410	
86-D-130, tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina......................	29.700	29.700	
85-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase I, various locations..................................	29.950	29.950	
85-D-103, safeguards and security enhancements, Lawrence Livermore and Sandia National Labs, Livermore, CA........	6.500	6.500	
85-D-105, combined device assembly facility, Nevada Test Site, Nevada.........	9.400	5.400	-4.000
85-D-106, hardened engineering test Building, Lawrence Livermore National Laboratory, Livermore, California..........	0.330	0.330	
85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, TN....	19.000	19.000	
85-D-113, power plant and steam distribution system, Pantex Plant, Amarillo, Texas............................	1.790	1.790	

Fiscal Year 1987 Department of Energy National Security Programs
[Amounts in millions of dollars]

Program	FY 1987 Authorization Request	Committee Recommendation	Change from Request
WEAPONS ACTIVITIES (continued)			
85-D-115, renovate plutonium building utility systems, Rocky Flats Plant, Golden, Colorado..........................	13.440	13.440	
85-D-121, air and water pollution control facilities, Y-12 Plant, Oak Ridge, Tennessee..........................	9.160	9.160	
85-D-125, tactical bomb production facilities, various locations...........	12.800	12.800	
84-D-102, radiation-hardened integrated circuit laboratory, Sandia National Laboratories, Albuquerque, N.M.............	3.000	3.000	
84-D-107, nuclear testing facilities revitalization, various locations..........	13.300	13.300	
84-D-112, Trident II warhead production facilities, various locations..............	14.500	14.500	
84-D-113, antisubmarine warfare/standoff weapon warhead production facilties, various locations......................	42.000	0.000	-42.000
84-D-124, environmental improvements, Y-12 Plant, Oak Ridge, TN......................	9.280	9.280	
84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, TN.......	27.220	27.220	
82-D-107, utilities and equipment restoration, replacement, and upgrade, Phase III, various locations...............	97.904	97.904	
82-D-144, simulation technology laboratory, Sandia National Laboratories Albuquerque, New Mexico.....................	6.000	6.000	
Total, Weapons Activities............	491.424	414.424	-77.000

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Fiscal Year 1987 Department of Energy National Security Programs
[Amounts in millions of dollars]

Program	FY 1987 Authorization Request	Committee Recommendation	Change from Request
MATERIALS PRODUCTION			
87-D-146, general plant projects, various locations...........................	35.980	32.100	-3.880
87-D-149, reduced chemical discharges to process sewers, Richland, Washington.......	3.150	3.150	
87-D-150, radioactive liquid effluent treatment facility, partial design only, Richland, Washington......................	4.000	4.000	
87-D-152, environmental protection plantwide, Savannah River, South Carolina..	1.500	1.500	
87-D-156, reactor effluent cooling water thermal mitigation, Savannah River, South Carolina.................................	5.000	0.000	-5.000
87-D-159, environmental, health, and safety improvements, Phase I, Feed Materials Production Center, Fernald, Ohio...........	10.000	10.000	
86-D-149, productivity retention program, Phase I, various locations.................	71.625	65.625	-6.000
86-D-150, in-core neutron monitoring system, N reactor, Richland, Washington....	2.760	2.760	
86-D-151, PUREX electrical system upgrade, Richland, Washington..............	3.780	2.480	-1.300
86-D-152, reactor electrical distribution system, Savannah River, SC....	8.410	8.410	
86-D-153, additional line III furnace, Savannah, River, South Carolina............	7.605	7.605	
86-D-154, effluent treatment facility, Savannah River, South Carolina.............	15.650	15.650	
86-D-156, plantwide safeguards systems, Savannah River, South Carolina.............	13.610	13.610	
86-D-157, hydrofluorination system - FB-line, Savannah River, South Carolina....	2.310	0.000	-2.310

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Fiscal Year 1987 Department of Energy National Security Programs
[Amounts in millions of dollars]

Program	FY 1987 Authorization Request	Committee Recommendation	Change from Request
MATERIALS PRODUCTION, continued			
85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho	36.530	32.430	-4.100
85-D-140, productivity and radiological improvements, Feed Materials Production Center, Fernald, Ohio	23.500	23.500	
85-D-145, fuel production facility, Savannah River, SC	33.500	27.500	-6.000
84-D-134, safeguards and security improvements, plantwide, Savannah River, South Carolina	7.515	5.765	-1.750
84-D-135, process facility modifications Purex, Richland, Washington	34.475	24.475	-10.000
84-D-136, enriched uranium conversion facility modifications, Y-12 Plant, Oak Ridge, Tennessee	1.000	0.500	-0.500
82-D-124, restoration of production capabilities, Phases II, III, IV and V, various locations	3.511	3.511	
Total, Materials Production	325.411	284.571	-40.840
DEFENSE WASTE AND BYPRODUCTS MANAGEMENT			
87-D-171, General plant projects, interim waste operations and long-term waste management technology, various locations	26.535	24.535	-2.000
87-D-172, WESF K-3 filter upgrade, Richland Washington	0.500	0.500	
87-D-173, 242-A evaporator crystallizer upgrade, Richland, Washington	2.800	2.800	
87-D-174, 241-AQ tank farm, Richland, Washington	2.100	2.100	

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Fiscal Year 1987 Department of Energy National Security Programs
[Amounts in millions of dollars]

Program	FY 1987 Authorization Request	Committee Recommendation	Change from Request
DEFENSE WASTE, continued			
87-D-175, steam system rehabilitation, Phase I, Richland, Washington..............	0.900	0.900	
87-D-177, test reactor area liquid radioactive waste cleanup system, phase III, Idaho National Engineering Laboratory (INEL), Idaho.............................	0.700	0.700	
87-D-180, burial ground expansion, Savannah River, South Carolina.............	6.300	2.000	-4.300
87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina............................	1.360	0.960	-0.400
86-D-172, B-plant F-filter, Richland, WA...	2.949	2.949	
86-D-174, low-level waste processing and shipping system, Feed Materials Production Center, Fernald, Ohio...........	9.872	8.072	-1.800
86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho National Engineering Laboratory (INEL), Idaho....................................	7.258	5.258	-2.000
85-D-158, central warehouse upgrade, Richland, Washington.......................	1.044	1.044	
85-D-159, new waste transfer facilities H-area, Savannah River, S.C................	7.318	4.118	-3.200
85-D-160, test reactor area security system upgrade, Idaho National Engineering Laboratory (INEL), Idaho.......	2.703	2.703	
81-T-105, defense waste processing facility, Savannah River, S.C...............	123.967	123.967	
Total, Defense Waste & Byproduct Mgmt.	196.306	182.606	-13.700

Fiscal Year 1987 Department of Energy National Security Programs
[Amounts in millions of dollars]

Program	FY 1987 Authorization Request	Committee Recommendation	Change from Request
VERIFICATION AND CONTROL TECHNOLOGY			
85-D-171, space science laboratory, Los Alamos, New Mexico....................	2.000	0.000	-2.000
NUCLEAR SAFEGUARDS AND SECURITY	0.000	0.000	
NAVAL REACTORS DEVELOPMENT			
87-N-101, General plant projects, various locations..........................	4.800	4.800	
87-N-102, kesselring site facilities upgrade, Knolls Atomic Power Laboratory, West Milton, New York......................	5.000	5.000	
87-N-103, computation laboratory addition, Bettis Atomic Power Laboratory, West Mifflin, Pennsylvania.....................	2.300	2.300	
Total, Naval Reactors Development.....	12.100	12.100	
TOTAL, DOE DEFENSE ACTIVITIES PLANT CONSTRUCTION..................	1027.241	893.701	-133.540
CAPITAL EQUIPMENT			
Weapons Activities......................	313.370	273.570	-39.800
Inertial Confinement Fusion.............	9.500	9.500	
Materials Production....................	126.090	110.120	-15.970
Defense Waste & Byproducts Management...	37.805	35.505	-2.300
Verification and Control Technology.....	4.200	4.200	
Nuclear Safeguards and Security.........	4.800	4.800	
Naval Reactors Development..............	51.700	46.700	-5.000
TOTAL, DOE DEFENSE ACTIVITIES CAPITAL EQUIPMENT..................	547.465	484.395	-63.070
Subtotal, Operating Expenses..........	6523.694	6180.394	-343.300
Subtotal, Plant Construction..........	1027.241	893.701	-133.540
Subtotal, Capital Equipment...........	547.465	484.395	-63.070
Less, Adjustments.....................			
TOTAL, DOE DEFENSE ACTIVITIES.........	8098.400	7558.490	-539.910

RATIONALE FOR COMMITTEE CHANGES

The committee is aware that the recommended authorization levels for fiscal year 1987 may well result in reductions, in stretching of programs, deferrals of maintenance, decreased production, decreased research and development and a further erosion of the technology base. Because of budget constraints, the committee was required to make numerous reductions. In recommending those reductions, the committee has been guided by the following priorities:

(1) Meeting essential weapons production and retirement schedules to match the requirements of delivery systems authorized by the Congress and to provide a safer, more secure and reliable nuclear arsenal.

(2) Producing the nuclear materials required for national defense and civilian research and development.

(3) Providing nuclear fuels, reactor research and development, fuel reprocessing, safety upgrades and training for the naval reactors program.

(4) Preserving and preventing further deterioration of the physical plant and equipment assets necessary to research, development, testing and production through ongoing construction and restoration programs.

(5) Continuing improved radioactive waste management programs and providing for assessments of required remedial actions with respect to nonradioactive hazardous wastes based on a system of priorities.

(6) Continuing a robust safeguards and security program for nuclear weapons, materials and information.

(7) Continuing the core research and development activities at DOE's defense-oriented laboratories, including promising research such as inertial confinement fusion, while preserving the existing technology base.

(8) Contributing to new technologies capable to strategic defense and conventional weapons within available resources.

ATOMIC ENERGY DEFENSE ACTIVITIES OF THE DEPARTMENT OF ENERGY

As the successor to the Atomic Energy Commission and the Energy Research and Development Administration, the Department of Energy (DOE) is responsible for all aspects of national nuclear weapon activities except those of the Department of Defense. The general category of DOE defense activities also includes the statutory responsibilities for control of Restricted Data, all functions of the Assistant Secretary for Defense Programs, the Military Liaison Committee, the functions of the Office of Military Applications that were transferred into the department by the Department of Energy Organization Act (Public Law 95-91) and the naval reactor development program.

PROGRAM

The major programs included under the Department of Energy's defense functions are as follows:

Weapons Activities;

Materials Production;
Defense Waste and Byproducts Management;
Verification and Control Technology;
Nuclear Safeguards and Security;
Security Investigations; and
Naval Reactors Development.

These major defense programs, the fiscal year 1987 authorization request, and changes recommended by the committee are discussed below.

GOVERNMENT-OWNED FACILITIES

Research and development programs for weapons and other programs are conducted primarily at three government-owned, contractor-operated laboratories that specialize in the physical sciences and engineering. These are: the Lawrence Livermore National Laboratory (LLNL), Livermore, California; Los Alamos National Laboratory (LANL), Los Alamos, New Mexico; and Sandia National Laboratories at Albuquerque, New Mexico (SNLA), and Livermore, California (SNLL). Nuclear testing is conducted underground at the Nevada Test Site in Nevada. Nonnuclear testing is conducted at the Sandia Laboratories Tonapah Test Site and at the above mentioned national laboratories.

Weapons, weapons components and special nuclear materials are produced by a complex consisting of the following government-owned, contractor-operated plants: Rocky Flats Plant, Golden, Colorado; Kansas City Plant, Kansas City, Missouri; Savannah River Plant, Aiken South Carolina; Pinellas Plant, Clearwater, Florida; Pantex Plant, Amarillo, Texas; Fernald Plant, Fernald, Ohio; Mound Laboratory, Miamisburg, Ohio; N-Reactor Plant and Richland Plant, Richland, Washington; and Y-12 Plant, Oak Ridge, Tennessee.

Naval reactor development is conducted at two government-owned, contractor-operated laboratories: the Bettis Atomic Power Laboratory near Pittsburgh, Pennsylvania; and the Knolls Atomic Power Laboratory, Schenectady, New York. Reactor prototypes are operated at Department of Energy sites at the Idaho National Engineering Laboratory, at West Milton, New York, and at Windsor, Connecticut. A government-owned naval reactor fuel facility is located at Savannah River, South Carolina, and a privately-owned naval reactor materials facility is located at Erwin, Tennessee.

In addition to the above mentioned government-owned, contractor-operated facilities, the Department of Energy depends upon hundreds of small and large contractors for materials, parts, components, and research.

ITEM OF SPECIAL INTEREST

Congressional access of Department of Energy national laboratory employees

This language is intended to clarify section 1534(1)(2) of the fiscal year 1986 Department of Defense Authorization Act (Public Law 99-145), as that section applies to employees of the national laboratories of the Department of Energy. The Department of Energy national laboratories are government-owned, contractor-operated (GOCO) entities which have served as unique sources of expertise to the Congress for four decades. The unique charcter of the Department of Energy national laboratories was recognized by the committee of conference which said, "The conferees recognize that there may be instances where, because of the nature of the Department of Energy's contractual relations with laboratories or others, regulations implementing this section may be different from those established by the Department of Defense."

The Congress, in adopting subsection (a)(2) of section 1534, instended to make costs of legislative lobbying, incurred by contractors, unallowable for reimbursement under government contracts. The Congress did not intend to prohibit legislative lobbying, but only to ensure that the contractor assume the costs of such efforts. It was not the intention of the Congress that the employees of the Department of Energy national laboratories should be discouraged from responding to oral or written inquiries from Members of Congress or the chairman, the ranking minority member, or a member of the staff of the appropriate committee.

As this committee stated in its report on the Department of Defense Authorization Act, 1986 (H. Rept. 99-81):

> It is not the intent of section 934 to isolate the Congress from the technical and scientific advice of experts empoyed by contractors carrying out DOE defense programs. The committee has found such advice and counsel to be invaluable over the years. There is, however, a distinct line between giving such advice and attempting of influence the outcome of legislation to a contractor's own advantage using government contract funds.

The distinction which concerned this committee has also presented a problem to the Department of Energy in the revision of its acquisition regulations to conform to section 1534 of Public Law 99-145. In applyiing regulation 970.3102-7 relating to lobbying costs, the Department of Energy should not deprive the Congress of the technical and scientific advice of DOE national laboratories when those views are solicited by the Congress. The Laboratory employees, however, are subject to the same limitations as other contractor employees when they initiate efforts to attempt to influence the action of legislation. Such conduct constitutes lobbying efforts which are not reimbursable under government contracts.

WEAPONS ACTIVITIES

[Amounts in millions of dollars]

Program	Fiscal year 1987 request	Committee recommendation	Change from request
Operating expenses	[1] 3643.554	[1] 3327.454	−316.100
Construction	491.424	414.424	−77.000
Capital equipment	[2] 313.370	[2] 273.570	−39.800
Total, weapons activities	4448.348	4015.448	−430.900

[1] Excludes $86.5 million for ICF.

[2] Excludes $9.5 million for ICF.

Weapons activities operating expenses

Authorization for Weapons Activities operating expenses was requested in four categories: research and development; testing; production and surveillance; and program direction. No separate request was made for the Inertial Confinement Fusion (ICF) research program. The committee recommends that appropriations for the ICF program be authorized as a program line item. Comments on this recommendation are contained in a subsequent part of this report.

The weapons activities program provides for research, development, engineering testing and production of nuclear weapons; maintenance of reliable weapons for their stockpile lines; and the retirement and disposal of nuclear weapons from the stockpile. As requested, the weapons activities program would have included the Inertial Confinement Fusion (ICF) program. Because the committee recommends that this program be authorized as a separate program, ICF will be discussed in another part of this report. Adjusted for the ICF program, the request contained $3,643,554,000 for operating expenses, $491,424,000 for construction and $313,370,000 for capital equipment. The committee recommends $3,327,454,000 for operating expenses, $414,424,000 for construction and $273,570,000 for capital equipment. This is a decrease of $432,900,000 from the requested amount.

The following table summarizes the committee's recommendations with respect to the request for Weapons Activities operating expenses:

[Amounts in millions of dollars]

Program	Fiscal year 1987 request	Committee recommendation	Change from request
Research and development	[1]980.700	[1]895.200	−85.5
Materials research—PSP		(17.000)	(17.000)
Testing	633.800	539.800	−94.000
Production and surveillance	1,968.504	1833.604	−134.900
Program direction	60.550	58.850	−1.700
Weapons program	(52.450)	(50.750)	(−1.700)
Community assistance	(8.100)	(8.100)	
Total, weapons activities operating expenses	3,643.554	3327.454	−316.100

[1] Excludes $86.5 million for ICF.

Weapons research, development and testing

The objectives of the research, development and testing effort are to explore and provide new technologies necessary to maintain U.S. nuclear deterrent forces and to maintain a unique national capability to design, test and monitor the U.S. nuclear arsenal for reliability, safety, security and effectiveness. The request for research, development, and testing supports efforts to maintain the weapons technology base; weapons development, engineering, and certification activities; and necessary testing during all phases in the life cycle of nuclear weapons. Weapons research, development and testing are involved in each of the following phases:

Weapons conception;

Program or feasibility study;
Cost and producibility studies;
Development engineering or full-scale development;
Production engineering;
First production;
Quantity production and stockpile; and
Retirements.

Research, development, and testing activities in fiscal year 1987 will be directed toward development engineering for several systems approved for production and deployment by the Congress in prior year authorization and appropriation Acts.

In addition, research and testing will continue on several systems intended to replace older warheads with safer and more secure systems. Conceptual studies will continue on other warheads for delivery systems, such as the small ICBM, that may be approved for deployment in the future. Research on the feasibility of innovative applications of nuclear technology that may eventually be important for the Strategic Defense Initiative or other national programs are also carried out under this category.

The authorization for testing would support a number of nuclear device tests in fiscal year 1987 and allow for preparation and equipment required to support testing in future years. Nuclear tests are related to proof-of-concept, to the development engineering effort in the laboratories, to the determination of the "state-of-the-art," to the reliability of weapons that are now deployed, and to the maintenance of the testing capabilities of the Nevada Test Site.

The request for research and development, exclusive of ICF, included $980.7 million for operation expenses of which $238.0 million was for strategic defense research (SDR). The committee recommends authorization of $895.200 million, a decrease of $85.500 million from the request. The amount recommended will provide $179.0 million for SDR and provide $17.0 million for the continuation of the Plasma Separation Process for the separation and purification of several needed radioisotopes. Although the amount recommended by the committee would permit no improvement in the traditional technology base, it should prevent further deterioration.

Testing

The request for operating expenses for testing activities, including the maintenance of nuclear and nonnuclear test sites and capabilities, contained $633.8 million, including $227.0 million for SDR. The committee recommends authorization of $539.800 million for this purpose—a reduction of $94.000 million because of budget constraints. The small increase over the $501.4 million appropriated for the current year will result in a smaller test program, including those intended for the Department of Energy's nuclear experiments supporting basic strategic defense research which is slightly above the fiscal year 1986 levels.

Production and surveillance

The request for production and surveillance operating expenses was $1,968,504,000. The committee recommends authorization of $1,833,604,000 for this purpose—a decrease of $134,900,000 because of budget constraints. This reduction will further stretch or interrupt ongoing weapons production and retirement programs resulting from reductions in this account in fiscal year 1986.

Program direction

The committee recommends authorization of $58,850,000 for weapons activities program direction, including $8.1 million for the community assistance program at Los Alamos, New Mexico. This is a decrease of $1.7 million from the request. The committee requests the Secretary of Energy to undertake negotiations of a one-time buyout of community assistance payments to the Los Alamos Community on the same terms and conditions approved by the Congress for the Oak Ridge, Tennessee Communities by section 1532 of the Department of Defense Authorization Act, 1986 (Public Law 99–145) for presentation in the fiscal year 1988 budget request.

ITEMS OF SPECIFIC INTEREST

A balanced weapons research, development and test program

The primary and fundamental missions of the Department of Energy's national laboratories and testing facilities are to maintain capabilities to support research, development, production, and lifetime surveillance of safe and reliable weapons for the U.S. nuclear deterrent forces. These capabililties have traditionally been maintained through the funding of a strong technology base, weapons development and engineering activities and testing capabilities. Because of the unique facilities and expertise in various scientific disciplines that are found in the national laboratories and DOE test facilities, these facilities have provided supporting research for nonnuclear defense programs, energy, life sciences, geophysics, sensors for treaty verification and research in support of the Nuclear Regulatory Commission.

A growing area of research within the Department of Energy's defense facilities is strategic defense research (SDR). These activities, as is the case with the other areas noted above, are undertaken with funds supplied for the DOE defense programs budget or under contracts from other government departments, or both.

DOE SDR mission

The DOE mission with respect to strategic defense research (SDR) is: to determine the feasibility and effectiveness of defensive nuclear-driven systems that an adversary may develop for use against future U.S. surveillance and defensive systems; to understand the technical feasibility and impact of such concepts on U.S. deterrent forces if used by the Soviet Union; and to explore nuclear directed energy options as strategic defensive possibilities if required. To this end, the Department of Energy is conducting basic research on five nuclear-driven directed energy concepts. These are: X-ray lasers, hypervelocity pellets, microwaves, particle beams and optical lasers. Although much of this research predated the 1983 presidential announcement of the Strategic Defense Initiative (SDI), these programs, and supporting research, have received added emphasis and additional funding since that time. Unfortunately, this has occurred during a period of stringent budget restraints that have resulted in reduced buying power for the Department of Energy's defense program since fiscal year 1984. Consequently, as the classified Department of Energy Strategic Defense Research Plan, 1986, explains, directed energy research programs have been conducted somewhat at the expense of the overall technology base that is vital to the basic mission of the national laboratories.

The budget request for fiscal year 1987 assumed an increase of $197 million over the current level for SDR operating expenses. Testimony indicated that projected SDR milestones could not be met at lower levels of funding. The committee recommendation would provide $137 million less than the request. Overall, the committee recommendation would provide $371 million for SDR, including $328 million for SDR operating expense, $36 million for SDR capitol equipment, and $7 million for SDR construction. This recommendation, limited by budget constraints, will delay the achievement of established SDR technical milestones of the Department of Energy.

Transfer authority

The committee is aware that the basic research, experiments and studies that would be supported by the DOE SDR request are necessary forerunners to future options and decisions regarding the Strategic Defense Initiative (SDI). The results of these research efforts will be used to answer questions regarding feasibility, workability, affordability, countermeasures, vulnerability and lethality. These answers, in turn, are necessary to decisions as to whether entire fields of research would be abandoned or continued into system-level development. In view of the committee's other recommendations with respect to the SDI program, some flexibility will be needed during the next fiscal year in funding SDI programs under the responsibility of the Department of Energy versus those under the responsibility of the Department of Defense. Accordingly, the committee has included a provision (sec. 3024(b)) that would authorize the transfer of funds, not to exceed $200 million, from the DOD SDI program to the DOE strategic defense research program after prescribed Congressional notification procedures have been followed.

Plasma separation process

Within the amount recommended for weapons research and development, the committee has included $17.0 million for the Plasma Separation Process (PSP). The Plasma Separation Process is being developed by the Department of Energy as a cost effective means for the separation of isotopes for a broad range of materials. To date, $156 million has been invested in this development ($26 million in fiscal year 1986). PSP is inherently applicable to any material and is the only process that has demonstrated the ability to easily and economically switch from one material to another. Further, PSP is currently the only means of obtaining a high purity isotope of nickel (Ni-63), an important beta-active isotope. In addition, PSP offers the promise of low cost for low-to-moderate production quantities of all isotopes. No comparable U.S. capability exists today. The calutrons located at the Oak Ridge Plant are the only current U.S. capability for separating isotopes for a broad range of materials, but they are production rate limited and very expensive. The gaseous diffusion and gas centrifuge processes are designed for processing very large quantities of uranium (as uranium hexafluoride) and are not readily adaptable to low-to-moderate production quantities of isotopes of other materials. The AVLIS (Atomic Vapor Laser Isotope Separation) processing being developed by the Lawrence Livermore National Laboratory requires significant development for extension to isotopes much lighter than plutonium or uranium.

The availability of isotopes provided by the PSP would enable the United States to move forward in areas requiring the use of a broad range of isotopic materials. The lack of these isotopes has tended to limit progress in a number of areas (i.e. long-lived miniature power supplies not using special nuclear materials as fuel, extended life for both civilian and military nuclear reactors, and medical noninvasive diagnostics as well as other medical applications). Isotopic materials, if available at suitable cost, schedule, and quantity, would permit more rapid advances in these areas. The existing PSP facility could cost effectively produce the material to meet these needs. A funding level of $17 million per year would permit continued production development and operation of the PSP facility to provide materials for currently identified requirements as well as materials required for emerging new technologies. Termination costs would exceed $12.5 million, and a restart of the program would cost considerably more than continuing at a funding level of $17 million per year.

The committee believes that it is in the national interest as well served by providing isotopic materials needed to fulfill near-term needs as well as preparing for an uncertain and ever changing future. PSP is a prudent way to maintain a generic production capability not available elsewhere. For this reason, $17 million has been allocated within the amount recommended for Weapons Research and Development for this purpose.

Inertial confinement fusion

The committee is concerned that the DOE budget request for fiscal year 1987 once again proposes to disestablish the Inertial Confinement Fusion (ICF) program. Only $22.5 million for operating expenses and $1.3 million for capital equipment is identified for the fiscal year 1987 program as compared to a total adjusted appropriations of $147.4 million for fiscal year 1986 and $155 million for fiscal year 1985. Although DOE witnesses identified a total of $109 million in operating expenses, including the $22.5 million specifically requested, for the ICF program, this amount is to be allocated, if at all, from the weapons research and development (R&D) account assuming that the R&D account is fully funded.

Under the DOE approach, ICF would cease to exist as an entity, its programmatic goals abandoned, its past accomplishments consigned to oblivion and its promising future left in doubt. The ICF program has been authorized by the Congress as a separate line item since 1977 because it has required central dedicated management and research teams and adequate annual funding. To merge the program's management and funding at this point with that of the overall weapons research and development programs, as proposed by the Department of Energy, would consign the ICF program to administrative extinction. The committee can not agree with this approach.

In section 1633 of the Department of Defense Authorization Act, 1985 (Public Law 98-525), the Congress directed the President to establish a Technical Review Group to thoroughly review the accomplishments, management, goals and anticipated contribution of the ICF program, and to make recommendations regarding priorities for appropriate future work. The purpose of this study was to provide guidance to both the Congress and to the Department of Energy. At the request of the President, the National Academy of Sciences formed a committee of distinguished physicists under the chairmanship of Dr. William Happer, Professor of Physics at Princeton University. The technical review consumed most of calendar year 1985 and included detailed discussion with, and personal visits to facilities of, all ICF participants and reviews of both U.S. and foreign technical literature on the subject.

On March 20, 1986, the President forwarded classified and unclassified versions of the report prepared by the Technical Review Group convened under the National Research Council entitled *Review of the Department of Energy's Inertial Confinement Fusion Program*. The report included findings that: the ICF program had made substantial overall progress since the last program review in 1979; major progress has been made in the classified Halite—Centurion programs carried out cooperatively by the Los Alamos and Livermore Laboratories; and that major progress can be expected within the next five years. The technical review group strongly recommended that the ICF program continue to be supported for at least the next five years at the fiscal year 1985 level of effort. This recommendation included continued support for the ongoing major work at the DOE weapons laboratories as well as supporting research at the Naval Research Laboratory and at the privately owned facilities of the University of Rochester and KMS Fusion. The committee fully supports this recommendation.

Committee action.—The committee recommends that the Congress to continue to authorize appropriations for the ICF program as a separate line item. Further, the committees recommend authorization of $148.2 million for ICF operating expense to be allocated as indicated in the bill. This will permit pursuit of major program goals and continuation of the Centurion and Halite programs. In addition, the committee recommends $25.2 million for ICF supporting service would allow for contract extensions with the University of Rochester and its users ($9.0 million), the Naval Research Laboratory ($2.5 million) and KMS Fusion ($13.7 million).

ICF capital equipment.—The committee recommends a line item authorization of $9.5 million for capital equipment to support the ICF program. The weapons activities line item is decreased accordingly.

Weapons activities construction

The budget request contained authorizations for 26 ongoing construction projects for weapons activities that were authorized in prior years and for eight new weapons activities construction projects. As indicated in the table at "Summary of Changes", the committee recommends no authorization for four of those new construction projects and the deferral or reduction of authorizations for five projects authorized in previous years.

Project 87-D-102 was requested to start a highly expensive, open-ended environmental compliance and cleanup operation at the Lawrence Livermore National Laboratory. The project includes numerous investigations, assessments, remedial actions, facility design and construction, monitoring and verification.

The committee found the justification documents for these activities as a construction project to be highly questionable. The majority, if not all, of the activities planned for fiscal year 1987 appear to relate to assessments and evaluations to determine the extent and nature of any environmental problems and the nature of any required remedial action related to the laboratory site. These activities are required to comply with dozens of Federal, State and local laws and regulations enacted long after the laboratory site was a naval air station in the 1940's and the laboratory was established three decades ago. In 1984, for example, the State of California enacted 40 new bills concerned with environmental issues. Assessments and evaluations have historically been funded through appropriations for operating expenses, and construction projects have historically not been requested until the extent of the project and its costs have been determined with some degree of certainty. This is not the case with this project.

The committee recommends no authorization for this project for fiscal year 1987. Further, because the project is apparently not structured on a set of priorities related to public health and safety and the $134 million estimated costs are open-ended, the committee recommends that the Secretary of Energy continue with the planned assessments and evaluations, establish priorities for any remedial actions based on any actual threats to public health and safety, and begin an Environmental Impact Statement as required by the National Environmental Policy Act. When these actions are completed and more certain supporting data is submitted, the committee will reconsider the project in the light of existing budget constraints.

Project 87-D-104 is to begin a new project for safeguards and security enhancements at the Lawrence Livermore National Laboratory. Although this $67.4 million project would begin with the modest authorization of $4.3 million in fiscal year 1987, the requests for the next two fiscal years will grow to $26.2 million and $33.2 million respectively. A similar prior year project (85-D-103) is estimated to cost $41.1 million for safeguards and security improvements at Livermore for which the committee recommends funding at the amount requested. As justified, Project 87-D-104 contains several elements that can be deleted without harm to the future security of the laboratory. For this reason and because of severe budget constraints, the committee recommends a deferral of the project, reexamination by the Department of Energy and resubmission of the project with revisions to reflect the highest priorities relating to security.

Project 84-D-113 would provide additional plant capacity to produce warheads for the antisubmarine warfare/standoff weapon (ASW/SOW). The committee recommends the deferral of the additional authorization request of $42.0 million for this project without prejudice for one year pending receipt of reconfirmation by the Secretary of the Navy that the Navy has an operational requirement for the nuclear ASW/SOW and that the Navy intends to proceed with the development and procurement of the delivery systems in view of expected budget constraints. The committee's action should not be construed to mean that the concept definition and feasibility studies on the ASW/SOW should be halted in fiscal year 1987.

Other projects.—Other reductions indicated in the foregoing summary table are recommended without prejudice because of budgetary contraints.

Weapons activities capital equipment

Due to budget constraints for fiscal year 1987, the committee recommends a reduction to the authorization request for capital equipment for weapons activities of more than 12 percent, to $273,570 million, a reduction of $39.8 million.

MATERIALS PRODUCTION

[Amounts in millions of dollars]

Program	Fiscal year 1987 request	Committee recommendation	Change from request
Operating expenses	1,596.390	1,565.990	−30.400
Construction	325.411	284.571	−40.840
Capital equipment	126.090	110.120	−15.970
Total, materials production	2,047.891	1,960.681	−87.210

The Defense Nuclear Materials Production Program provides plutonium and tritium and other special nuclear materials for national security and civilian requirements and also includes programs for fabricating the basic items used in producing those materials. Recovery of enriched uranium from spent naval reactor fuels and scrap reclamation and control are ancillary activities associated with the nuclear materials production program, as is the sale of byproduct steam from the N-Reactor at Richland, Washington, for the generation of electricity. The sale of steam is expected to return $54,400,000 to the U.S. Treasury during fiscal year 1987.

To carry out the functions of the Defense Materials Production Program, large facilities are operated at the Savannah River Plant, South Carolina; N-Reactor and other facilities at Richland, Washington; Y-12 Plant, Oak Ridge, Tennessee; Feed Materials Producing Center, Fernald and Ashtabula, Ohio; Fuel Processing Facility, Idaho; and various other activities at DOE laboratories. The request would also support greatly expended safeguards and security requirements and environmental, health, safety and other activities required by Federal and state regulations imposed since many DOE facilities were constructed more than 30 years ago.

Materials production operating expenses

Authorization for operating expenses was requested in five categories: reactor operations, processing of nuclear materials, supporting services, enriched material and program direction.

Reactor operations

The fiscal year 1987 request for reactor operating expenses would provide for operation of production reactor feed plants at Fernald and Ashtabula, Ohio, and Oak Ridge, Tennessee; the operation of the N-Reactor, fuel fabrication, and support facilities at Richland, Washington; and the operation of four production reactors, fuel fabrication, and support facilities at Savannah River, South Carolina.

Increased funding over fiscal year 1986 was requested to provide for cost of living increases; to support the nuclear weapons program; to make environmental, health and safety improvements; to improve security and to increase reactor efficiency. The committee recommends authorization of $616.660 million for Material Production operating expenses, the amount requested.

Processing of nuclear materials

Activities related to processing of nuclear materials to support the production of plutonium and tritium needed for the weapons program, materials for research, for other government agencies, industry and medicine. The budget request for $499.830 million would also support the processing of production reactor targets, spent fuel from naval reactors and fuel from experimental reactors at government-owned plants and various civilian facilities. The committee recommends authorization of $493.830 million for this subprogram, a reduction of $6.0 million from the request.

Special Isotope Separation (SIS) Program.—The Special Isotope Separation (SIS) program has been strongly supported by the Congress for several reasons. First, SIS can rapidly make available substantial additional amounts of weapon grade plutonium from existing defense-owned low grade plutonium feedstocks, obviating the need for new production and the production and storage of additional radioactive waste products that would be produced if new plutonium were produced. Much of this low grade feed material could not otherwise be used because it is of extremely unfavorable isotopic composition. Second, SIS can make additional weapon grade material available at a fraction of the current production cost. The weapon grade material that SIS can make available is equal to a large fraction of the total lifetime output of a new production reactor that would cost 10 to 20 times as much as an equivalent production rate SIS facility. Third, SIS can easily produce very high grade plutonium (exhibiting less radiation) for weapons that must be stored in close proximity to personnel (i.e., Navy). Fourth, plutonium 238, which may be needed for future space power sources, can be recovered from defense plutonium.

The Atomic Vapor Laser Isotope Separation (AVLIS) technology for SIS has been thoroughly demonstrated. This was affirmed by a peer review and process selection in fiscal year 1983 and by demonstrations at the Lawrence Livermore National Laboratory in 1983 and 1984. A technical readiness review requested by the Office of Science and Technology Policy (conducted by JASON in fiscal year 1984) also confirmed the readiness to proceed with the practical application of this technology. More recently, an evaluation of the AVLIS process readiness was completed by the DOE Energy System Acquisition Advisory Board. Based on this review, the AVLIS process was designated as the preferred process for an SIS facility authorized by the Congress in the Defense Authorization Act for fiscal year 1986 (Public Law 99-145) as Project 86-D-148.

Testimony received by the committee also confirms the technical readiness to proceed with the construction of an SIS production facility. Testimony received from the Department of Defense clearly established the importance of, and immediate need for, a production facility.

In a letter to the committee dated August 3, 1983, the Secretary of Energy affirmed the Department of Energy's readiness to proceed with the initial phase of an AVLIS SIS production facility that would have been in operation by 1987. This has since been reconfirmed by the above mentioned studies. Accordingly, the committee strongly urges the Secretary of Energy to proceed with the definitive design of the AVLIS process and also to proceed with architect-engineering work leading to the start of construction, including the choice of a site and operating contractor.

Operating funds in the amount of $70.9 million and equipment funds in the amount of $1.0 million are authorized for the continuing SIS process development at the Lawrence Livermore National Laboratory. These funds and other remaining operating and construction funds are to be used to prepare for deployment of this technology by the year 1992.

Supporting services.—The committee recommends authorization of $242.1 million for supporting services for the Materials Production Program, a reduction of $10.4 million. Supporting services are essential to maintain production operations at their planned levels and to continue activities such as general site operations, improved production capabilities such as the facility restoration program, and tritium production research. Fiscal year 1987 funds would also provide startup, shutdown, and standby costs for production facilities that will be needed either to meet current material requirements or possible future requirements. Other supporting services activities include production of metals for weapons; transportation and security for material shipments; conceptual engineering studies; safety, environmental, and safeguards costs; long-range nuclear materials management planning; general site safety improvement activities; warehousing; funding of inventories such as common use stores, process spares, and production of other nuclear materials inventories; and miscellaneous contractor activities.

Enriched material.—The fiscal year 1987 request for $204.5 million would provide funding for separative work and other associated costs to provide enriched material for the Nuclear Materials Production and Naval Reactors programs. The fiscal year 1987 request includes $190.0 million for highly enriched uranium requirements for the Naval Reactors program. The highly enriched uranium will be used for fabrication of reactor cores used in shipboard and prototype naval reactor plants. Also included in the request is

$14.5 million for separative work requirements for slightly enriched uranium for N-Reactor production at Richland, Washington. The committee recommends authorization of $190.5 million, reflecting a reduction of $14.0 million in the request for Naval Reactors fuel supply.

Program direction.—The fiscal year 1987 budget request for Materials Production program direction provides for salaries, benefits, travel, and other associated support costs for Department of Energy Headquarters and the Savannah River Operations Office. The committee recommends authorization of $22.9 million, the amount requested for program direction.

Gas centrifuge technology.—Of the amount authorized for the Materials Production Program, the committee directs that not less than $2.5 million be used to investigate the application of gas centrifuge technology to economically separating isotopes required to satisfy a variety of defense program needs.

Materials production construction projects

The budget request contained an authorization request for 15 new or ongoing Materials Production construction projects, including 6 new construction projects. As indicated by the preceding summary table, the committee recommends no authorization for one of those projects and the deferral or reduction of authorizations for nine of the 21 projects authorized in previous years due to budgetary constraints. The recommended changes are indicated in the table.

Project 87-D-156 is a requested new start to provide large cooling towers and associated facilities to reduce discharge water temperatures from the "C" and "K" production reactors at the Savannah River Plant. Testimony and supporting documentation on this project indicates that these reactors have operated for approximately 30 years without cooling towers; that no evidence exists that environmental harm resulting from those reactors outside of the large Savannah River Plant site; that the estimated cost would be $109 million; and that alternatives exist that may be less costly.

Although Project 87-D-156 is to be initiated with a modest authorization of $5.0 million in fiscal year 1987, this would be increased to $67.2 million in the next fiscal year and $36.8 million in fiscal year 1989. Even if no alternatives to cooling towers existed, the committee does not believe that these costs can be absorbed in the light of current budget constraints.

The selection of cooling towers or other alternatives to thermal mitigation will have to be accomplished through the preparation of an Environmental Impact Statement in accordance with the National Environmental Policy Act (NEPA). This has not yet been done. For this reason, and the reasons stated above, the committee recommends disapproval of the request for Project 87-D-156 and directs the Secretary of Energy to complete the required NEPA reviews and performs a risk-cost-benefit analysis prior to proposing a similar project. In taking this action, the committee makes no judgment concerning whether or not thermal mitigation measures are actually needed for the "C" and "K" reactors.

Materials production capital equipment

The budget request contained an authorization of $126.090 million for Materials Production capital equipment. Reactor and processing operations utilize large unique and expensive items of equipment, some of it 30 years old. Due to the corrosive environment of fuel processing facilities, a continuous program of equipment replacement is needed. The committee recommends a reduction of $15.970 million in the Materials Production capital equipment authorization request.

DEFENSE WASTE AND BYPRODUCT MANAGEMENT

[Amounts in millions of dollars]

Program	Fiscal year 1987 request	Committee recommendation	Change from request
Operating expenses	455,050	431.050	−24.000
Construction	196.306	182.606	−13.700
Capital equipment	37.805	35.505	−2.300
Total, defense waste and by product management	689.161	649.161	−40.000

The Defense Waste and Byproduct Management Program provides for the environmentally safe management of radioactive wastes primarily generated by Department of Energy defense activities, by nuclear materials production activities, and by reprocessing naval nuclear propulsion and research reactor fuels. Other forms of defense wastes are also generated by DOE research and development activities and from weapons production. The program also involves research and development for the beneficial uses of byproducts derived from wastes and the ultimate disposal of the remaining wastes.

The fission process that produces plutonium and tritium in production reactors for defense programs also produces a variety of fission products. Several of these fission products that can be extracted from the process stream (in addition to plutonium, tritium and residual uranium) have beneficial uses and can contribute to the economy of the United States. Among the most useful elements with demonstrated value are cesium, strontium, and several "noble metals." At present, the remaining fission products would generally be classified as "wastes."

The Department of Energy and its predecessor agencies, the Energy Research and Development Administration and the Atomic Energy Commission, have been safely storing defense radioactive waste materials isolated from the public and the environment since the early 1940's. The committee knows of no member of the public who has ever been injured as a result of these storage operations. As a result of this long experience and as a result of the research, development, and self-regulation, radioactive waste materials can continue to be safely stored for a number of years until a permanent respository is built for their disposal.

Defense waste operating expenses

The budget request contained $455.050 million for Defense Waste and Byproduct Management operating expenses. The defense waste program has three primary subprograms: interim waste operations, long-term waste management technology, and terminal storage. These subprograms provide for the handling and disposal of low-level waste (LLW), the interim storage of transuranic (TRU) and high-level waste (HLW), development of technology for the long-term management of radioactive waste, and the demonstration of the safe disposal of defense TRU and HLW. The fiscal year 1987 budget supports the implementation of the policies applicable to DOE defense programs contained in the Defense Waste Management Plan (DWMP) dated June 16, 1983 which was prepared in response to the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1982 (Public Law 97-90). The committee recommends a reduction of $24.0 million in operating expenses because of budgetary constraints, for a total authorization of $431.050 million for this purpose.

Interim waste management.—Interim waste management provides safe processing and interim storage of radioactive byproducts and wastes. The program includes decontamination and decommissioning of facilities for the safe management and disposition of radioactively contaminated Department of Energy facilities originally used in support of defense programs. Approximately 400 facilities are now under this activity including inactive reactors, reprocessing plants, and waste storage and disposal plants. Transportation research and development within this program is for planning, design, development and testing of transport systems, packages, materials and equipment to ensure the availability of safe, efficient and cost-effective transportation for the Department of Energy waste management programs. Where appropriate, this activity also aids in developing Department of Transportation and Nuclear Regulatory Commission transportation regulations.

Fiscal year 1987 efforts in the interim waste operations program will continue the upgrading of waste handling, storage and disposal operations by transferring high level waste from old, single-shell tanks at the Savannah River Plant and Richard Plant into new double-shell tanks, construction of new facilities, improvement of existing facilities, upgrading of burial ground operations, and the management of defense surplus facilities. The long-term waste management program in fiscal year 1987 will continue to focus on the construction and preparation for operation of the Defense Waste Processing Facility at the Savannah River Plant and on preparations for operating the Waste Isolation Pilot Plant (WIPP) located in New Mexico. Activities will also support plans at Richland, Washington, for a high-level waste vitrification facility in the mid-1990's. The long-term technology program will also develop technology for hazardous waste management operations at DOE defense sites.

Long-term waste management technology.—This subprogram supports the development of technology appropriate to long-term storage of all nuclear waste types (i.e., high-level (HLW), low-level (LLW), and transuranic (TRU)) and assesses the possible hazards, costs and environmental impacts in order to select and implement long-term disposition alternatives. The long-term waste management technology program is directed toward the long-term management of DOE radioactive wastes including an integrated transport system. The program also includes activities for hazardous chemical defense waste in response to the increased attention at DOE sites in managing such wastes in compliance with appropriate Environmental Protection Agency (EPA) regulations (Resource Conservation and Recovery Act; Comprehensive Environmental Response, Compensation and Liability Act). In fiscal year 1987, the program will continue to focus on the immobilization of HLW in a glass form at the Savannah River Plant and on the certification of TRU waste processes, including their further treatment and transportation systems to support WIPP operations.

Although no specific funding is requested, efforts will continue to encourage the use of defense waste byproducts for processing food, purification of sewage sludge, treatment of animal hides, radioluminescent lighting, and as a potential source of strategic materials through user funding.

Hanford high-level wastes.—Department of Energy plans to construct a high-level waste treatment and solidification facility for the high-level wastes stored at the Hanford, Washington, reservation similar to the facility nearing completion at the Savannah River Plant. Although much of the technology developed for Savannah River can be directly transferred to the Hanford facility, some of it cannot easily be transferred nor can it be improved. The Department of Energy has invested substantial funds to develop a waste solidification process at Hanford that will utilize a liquid-fed ceramic melter and a pilot scale melter has been constructed. The committee recommends $5.0 million to continue the operation of this melter to perform essential tests needed prior to the design of the Hanford waste treatment facility.

Terminal storage.—The terminal storage program involves the Waste Isolation Pilot Plant (WIPP) in New Mexico, last authorized by Congress as Project 77-13-f as a research and development facility to demonstrate the safe disposal of defense TRU waste and defense high-level waste in a stable geologic environment. The WIPP is the cornerstone of all terminal waste storage research in the United States. Construction of permanent surface and underground facilities at the WIPP is processing on a phased basis, consistent with the evaluation of data obtained during the now completed exploratory program which was defined in the Final Environmental Impact Statement. The committee recommends that the requested amount of $39.1 million be authorized for the terminal storage program. This will permit operational startup of the WIPP with the emplacement of defense transuranic wastes in the late 1988 time period and the experimental emplacement of the first defense high-level wastes in late 1989. The committee strongly reaffirms the direction of the Congress in section 213 of the Department of Energy National Security Programs, fiscal years 1980–81 authorization Act (Public Law 96–164) and in subsequent agreements and court orders that high-level waste experiments in bedded salt are required for future decisions and that such wastes will be removed from the WIPP upon the completion of those experiments.

Terminal disposal of defense high-level wastes.—The Nuclear Waste Policy Act (NWPA) of 1982, *inter alia,* requested that the Executive Branch study and determine whether a separate repository of the terminal disposal of defense high-level wastes was necessary or whether such wastes could be commingled with civilian high-level wastes in a licensed repository contemplated by that Act. In April, 1985, the President decided that defense wastes should be included within the civilian waste repository. The NWPA *would not* apply to any repository used *exclusively* for defense high-level waste. The President's decision has serious cost implications for DOE's defense programs because the Secretary of Energy is required to make "arrangements" including "the allocation of costs of developing, constructing and operating the repository." In addition, it appears that the "arrangements" that the Secretary may make might overreach the requirements of the NWPA.

Administrators of the waste repository program within the Department of Energy appear to contemplate the payment of a huge up front payment from the Department of Energy defense programs followed by annual fees based on the generation of wastes in future years. Further, these payments are contemplated to take place many years prior to the development and construction of a repository. In fact, considering the reactions of the states and Members of Congress to the mere *selection* of three sites for *consideration* for the location of a repository, the political hurdles contained in the NWPA may never be crossed.

Testimony by DOE witnesses indicates that the fee arrangement for DOE defense wastes will be decided by a rulemaking process in accordance with OMB guidance. Preliminary estimates of these fees amount to $3.7 billion. Of this, an estimated $1.9 billion would be created as a "debt" which defense programs could pay immediately or pay annually *with interest*. The remaining $1.8 billion would be paid at the rate of approximately $65 million per year. The annual interest on $1.9 billion alone would amount to $152 million which, if paid, would have to be borrowed at interest. In addition, the entire Waste Isolation Pilot Plant was built for $700 million—80 percent less than the cost of the estimated fees.

The committee is concerned that during succeeding years' constraints, will preclude the authorization of funds to pay the fees estimated for a repository. The committee is also concerned that, if the fees are to be paid, vital programs will have to be sacrificed for repository use that may never materialize.

The committee will carefully follow the rulemaking with hearings to determine whether any funds should be authorized prior to the actual development, construction or operation of a repository.

Mixed waste at Rocky Flats Plant.—The Rocky Plant north of Denver, Colorado, manufactures plutonium parts for nuclear weapons. This plant generates both nonradioactive toxic wastes and radioactive toxic wastes called mixed waste. Pursuant to 42 USC 6926, the Resource Conservation and Recovery Act of 1976, the State of Colorado has had authority to regulate nonradioactive toxic waste through the granting of permits and enforcement actions. Up to now, the U.S. government has interpreted the Atomic Energy Act of 1954 to give DOE the sole authority to regulate mixed waste activities such as processing, storage, shipping, burial, etc. As a result of this interpretation, the State of Colorado has not been able to review and issue permits fof these mixed waste activities.

On June 4, 1986, the Department of Energy, the Environmental Protection Agency, and the State of Colorado signed an "agreement in principle" with respect to the regulation of hazardous and mixed waste at Rocky Flats. This agreement in principle commits the Secretary of Energy to make a good faith effort to conclude a final agreement between the Department of Energy, the Environmental Protection Agency, and the State of Colorado providing for an aggressive and effective program for management of hazardous and radioactive mixed waste generated, treated and stored at the Rocky Flats Plant. The final agreement is envisioned to provide that permit applications for hazardous and mixed waste activities at the Rocky Flats Plant will be jointly reviewed by the Environmental Protection Agency and the appropriate officials of the State of Colorado; that joint permits will be issued, and the State will enforce regulations, for the activities for which the State of Colorado has been authorized to regulate pursuant to 42 USC, section 6926; and that the Administrator of the Environmental Protection Agency shall issue portions of permits where the State has not been so authorized.

The agreement could serve as a model for similar agreements in other states. Upon implementation, it would commit the Department of Energy to submit applications for hazardous and mixed waste activities for review by both the State of Colorado and the Environmental Protection Agency. Joint permits would be issued and the State would enforce regulations. This would be the first time that a state would be granted authority to regulate atomic energy defense activities.

The agreement commits the parties to jointly develop technical requirements and schedules for cleanup and commits the Environmental Protection Agency to authorize Colorado to regulate mixed wastes by September 30, 1986.

Defense waste and byproduct management construction projects

The budget request contained $196.306 million for eight new waste management construction projects and seven ongoing projects. The committee recommends reductions totalling $13.7 million due to budgetary reasons as shown in the preceding summary table.

Defense waste and byproduct management capital equipment

The budget request contained $37.805 million for Defense Waste and Byproduct Management capital equipment. The committee recommends a reduction of $2.3 million for capital equipment for budgetary reasons.

VERIFICATION AND CONTROL TECHNOLOGY

[Amounts in millions of dollars]

Program	Fiscal year 1987 request	Committee recommendation	Change from request
Operating expenses	95.500	90.500	−5.000
Construction	2.000	0.000	−2.000
Capital equipment	4.200	4.200	

VERIFICATION AND CONTROL TECHNOLOGY—Continued

[Amounts in millions of dollars]

Program	Fiscal year 1987 request	Committee recommendation	Change from request
Total, verification and control technology	101.700	94.700	−7.000

The overall goal of the Verification and Control Technology program is to support the development and execution of U.S. national security and foreign policy in the areas of treaty verification, intelligence, arms control, and export control as they relate to nuclear weapons issues. In fulfilling these responsibilities, the program: develops and produces systems to monitor nuclear and other advanced technology weapon activities; controls exports of materials, equipment and technology related to the Department of Energy's (DOE) areas of responsibility; provides technical and analytical support for the Department's role in nuclear arms control negotiations and interagency deliberations; and manages DOE's intelligence responsibilities.

Verification and control technology operating expenses

The committee recommends a reduction of $5.0 million from the request of $95.5 million for verification and control technology operating expenses because of budgetary constraints.

Verification and Control Technology activities can be divided into two categories, detection or yield measurement technology and analytical support. Detection technology activities develop means of detecting or measuring nuclear weapon or other advanced weapon activities. Analytical support activities utilize nuclear and advanced weapon technical expertise to evaluate arms control proposals, make determinations on export license applications, assess technology transfer issues, and analyze foreign weapon-related activities.

Detection technology.—The Department of Energy is a major participant in the national effort that employs satellite-borne sensors to monitor the atmosphere and space for nuclear explosions. This monitoring is done to provide test ban treaty verification data in support of the Limited Test Ban Treaty (LTBT) and other collection requirements. These requirements involve the detection of nuclear explosions conducted underground, in the atmosphere, or in space. To meet these and other requirements, the Verification and Control Technology program fabricates satellite-borne sensors that are secondary payloads on the Global Positioning System (GPS) satellites and other satellites. The DOE's Verification and Control Program also provides technical support in addition to the fabrication of the sensors. This support includes maintenance of the sensor readiness once they have been delivered to the spacecraft manufacturer, analysis assistance of data received, and periodic testing and calibration to assess the state of health of deployed sensors.

Analytical support.—Verification and Control Technology's analytical support activities are conducted through the national laboratories and private contractors in support of the Department of Energy's export/technology transfer, arms control, weapons intelligence, and proliferation intelligence responsibilities. These activities provide a factual and analytical base to support U.S. needs in understanding the national security implications of possible test ban treaties, of export license decisions as they relate to proliferation and technology transfer concerns, and of foreign nuclear weapon programs. Analyses of intelligence relating to energy supply, production transportation and utilization are conducted to assess the effects of potential oil supply disruptions and to support the department's emergency preparedness activities.

The committee is aware of long-standing deficiencies in U.S. ability to monitor and analyze foreign nuclear weapon activities and weapon designs and supports the requested increased activity in these areas.

Program direction.—The budget request contained $4.4 million for program direction to provide for the salaries, benefits and travel expenses of personnel associated with the management and direction of this program at the DOE Headquarters facility located in Washington, D.C. These employees are responsible for technical and analytical program management of field activities and the execution of Headquarters staff functions. The committee recommends authorization of the amount requested.

Verification and control technology construction projects

The budget request contained $2.0 million for one construction project, Project 85–D–171, Space Science Laboratory, Los Alamos, New Mexico, begun in 1985. This laboratory, with a total estimated cost of $7.5 million, will be used for design, development, fabrication, assembly, test, calibration, and quality control of space instrumentation, as well as for associated base technology efforts. The committee recommends deferral of this project for budgetary reasons.

Verification and control technology capital equipment

The budget request contained $4.2 million to support the department's effort to provide high priority equipment, more timely intelligence analysis, and to upgrade existing electronic equipment within the Verification and Control Technology Program. The committee recommends approval of the amount requested.

Item of special interest

Center for National Security and Arms Control Studies.—The Committee on Armed Services endorses the newly formed Center for National Security and Arms Control Studies at the Los Alamos National Laboratory and expects the Departments of Energy and Defense to cooperate and assist the Laboratory with appropriate resources to implement this worthy project.

NUCLEAR SAFEGUARDS AND SECURITY

[Amounts in millions of dollars]

Program	Fiscal year 1987 request	Committee recommendation	Change from request
Operating expenses	61.100	60.100	−1.000
Construction	0.000	0.000	

NUCLEAR SAFEGUARDS AND SECURITY—Continued

[Amounts in millions of dollars]

Program	Fiscal year 1987 request	Committee recommendation	Change from request
Capital equipment	4.800	4.800	
Total, nuclear safeguards and security	65.900	64.900	−1.000

The Nuclear Safeguards and Security Program includes programs for developing policies and measures to ensure adequate protection of DOE's nuclear weapons, nuclear materials, facilities, and classified information against possible theft, sabotage and terrorist activity. The program also focuses on providing technical support on safeguards to U.S. and international activities designed to minimize the proliferation of nuclear weapons. As part of this program, the classification program is responsible for implementing the Department of Energy's classification and declassification activities.

Recent accomplishments include the establishment of a Safeguards and Security Central Training Academy to ensure a high standard of readiness throughout the Department of Energy and to enable a uniform approach to training in the tactical, legal, and technical aspects of physical security. The upgrading of DOE facilities is continuing under the Safeguards and Security improvement program. In addition, activities are underway to support site-specific safeguards and security improvements; to reestablish airspace restrictions at critical DOE facilities; and to systematically evaluate the effectiveness of safeguards and security measures as applied at specific DOE defense sites.

Program objectives will emphasize improved effectiveness of safeguards and security through intensified guard force training utilizing the Central Training Academy; continued assistance in the identification of deficiencies at DOE facilities; demonstration of advanced integrated systems designed to meet site-specific needs; and assistance in implementation of safeguards improvements. Efforts will continue in support of classification activities, development of international safeguards, training of foreign safeguards personnel, tracking of nuclear materials shipments, and development of technology in physical protection and material control and accounting.

Because the Safeguards and Security Program is closely intertwined with management functions, the Assistant Secretary for Defense Programs and contractor personnel must ultimately implement DOE directives. The Assistant Secretary closely monitors and makes periodic assessments of the contractor's effectiveness. For the obvious reason that public knowledge of safeguards and security deficiencies might well encourage terrorists, saboteurs or deranged persons to attempt security breaches at vital DOE facilities, these assessments are not made public.

The budget request for the Safeguards and Security Program represents less than 10 percent of the programmatic request of $691 million to support overall safeguards and security activities in fiscal year 1987. Funding for operating expenses, capital equipment and construction of these activities has increased from $443 million in fiscal year 1984; to $595 million in fiscal year 1985; to $629 million in fiscal year 1986.

Nuclear safeguards and security operating expenses

The budget request contained $61.1 million for Nuclear Safeguards and Security operating expenses. The committee recommends a decrease of $1.0 million from the request and an authorization of $60.1 million.

Nuclear safeguards and security capital equipment

The budget request contained $4.8 million for Nuclear Safeguards and Security capital equipment for direct field support of DOE programs, nuclear material measurements and analysis for international and domestic safeguards, security countermeasures and computer security test and evaluation, and physical security for domestic safeguards. The committee recommends authorization of the amount requested.

SECURITY INVESTIGATIONS

[Amounts in millions of dollars]

Program	Fiscal year 1987 request	Committee recommendation	Change from request
Operating expenses	33.300	33.300	
Total, security investigations	33.300	33.300	

The objective of the Security Investigations Program is to ensure that the common defense and security of the United States will not be endangered by the granting of security clearances to persons, including DOE and DOE contractor personnel who in the performance of their work must have access to Restricted Data, National Security Information, or Special Nuclear Materials, or who occupy a designated Critical Sensitive position. Recent clearance support has been sufficient to provide for DOE and contractor needs. Approximately 30,764 security investigations will be performed in fiscal year 1987, a decrease of 1,542 investigations below fiscal year 1986. The committee recommends authorization of the $33.3 million requested for the Security Investigations Program.

NAVAL REACTORS DEVELOPMENT

[Amounts in millions of dollars]

Program	Fiscal year 1987 request	Committee recommendation	Change from request
Operating expenses	529.800	523.800	−6.000
Construction	12.100	12.100	
Capital equipment	51.700	46.700	−5.000
Total, naval reactors development	593.600	582.600	−11.000

The Naval Reactors Development Program carries out nuclear propulsion development work essential to the U.S. Navy. The program provides the Navy with quiet propulsion systems having virtually unlimited high speed endurance. This capability reduces vulnerability to enemy action and allows ships to be designed with a greatly increased capability for rapid transit over long distances and sustained combat operations. This program also provides for the design, development, testing, and evaluation of improved naval nuclear propulsion plants and reactor cores having long fuel life, high reliability, improved performance, and simplified operating and maintenance requirements. Nuclear propulsion plants and reactor cores cover a wide range of configurations and power ratings suitable for installation in naval combatants varying in size from small submarines to very large surface ships. A primary objective of the program is to develop reactor cores that will last the lifetime of a ship. This program supports the continued safe and efficient operation of 40 percent of the U.S. Navy's combatant vessels.

Naval reactors development operating expenses

The budget request contained $529.8 million for Naval Reactors Development operating expenses. The committee recommends an authorization of $523.8 million, a reduction of $6.0 million.

Plant development.—Plant development efforts are devoted to improving overall propulsion plant performance. This research effort focuses on improved safety systems, reduced plant weight, noise reduction, simplified maintenance and operation procedures, and enhanced plant reliability. Major efforts include upgrading casualty control systems, simplifying primary and secondary plant components, testing lightweight structural materials, developing advanced instrumentation and control devices, and reducing material corrosion through improved heat treatment of materials and improved water chemistry control.

Plant safety and reliability are of paramount concern. To ensure that a propulsion plant is both reliable and safe, a thorough understanding of structural materials corrosion and stress parameters is necessary. New materials and materials used in existing plants are tested and evaluated in dedicated testing facilities and prototypes. Because corrosion depends on water chemistry, research is directed toward development of a fluid environment that minimizes corrosion and buildup.

Reactor development.—Reactor development efforts are directed toward improving the power, reliability and endurance of naval reactors. Experience gained from operating reactors is applied to development of new reactor designs, concepts, and materials that can be incorporated into existing or new design reactors. Advanced concepts resulting from applied research and emergent technological advances are also used in improving naval reactor capabilities and ensuring the longevity of naval reactor plants.

The program to carry out reactor development consists of: examination of expended reactor cores for fuel depletion, structural distortion, etc.; development, qualification, and testing of new materials; design of advanced reactor cores, shielding and safety systems; development of manufacturing processes for new cores; and fabrication of prototype plants.

Reactor operation and evaluation.—The program operates eight land-based prototype naval nuclear propulsion plants that yield operational data to allow modifications in design and service procedures before the plant is installed in a ship.

Program direction.—The program direction request would provide the salaries, benefits, travel, and other expenses for federal employees at the Naval Reactors, Pittsburgh Naval Reactors, and Schenectady Naval Reactors offices. Naval Reactors personnel maintain close program management and technical direction of the Bettis and Knolls Atomic Power Laboratories and associated facilities, with a combined employment of 6,800. These laboratories are government-owned, contractor-operated facilities solely devoted to the Naval Reactors Development Program.

Naval reactors development construction projects

The budget request contained $12.1 million for three new construction projects in the Naval Reactors Development Program. The committee recommends authorization of the amount requested.

Naval reactors development capital equipment

The budget request contained $51.7 million for Naval Reactors Development capital equipment. Quality assurance, process development, and laboratory engineering and test equipment are required to carry out the program. In particular, reactor plant safety system and test loop equipment are needed. The committee recommends authorization of $46.7 million, a reduction of $5.0 million due to budgetary constraints.

LEGISLATIVE PROVISIONS

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

SECTION 3013—AUTHORIZATION FOR STRATEGIC DEFENSE INITIATIVE

Section 3013 would authorize the use of $371.0 million of funds authorized to be appropriated for military activities of the Department of Energy for the Strategic Defense Initiative.

The committee recommends the provision, which elevates a matter typically addressed in report language, because the House has passed an appropriation that provides that appropriated funds may be used only in the amount and in the manner provided for in fiscal year 1987 authorizing legislation.

PART B—RECURRING GENERAL PROVISIONS

SECTION 3021—REPROGRAMMING

Section 3021 would define and limit the authority of the Department of Energy to use funds appropriated pursuant to the various authorizations in the bill for programs in excess of certain stated amounts or for programs not previously considered by the Congress. To exceed such limits, the Secretary must report in detail to the appropriate committees of Congress and the report must be before the appropriate committees for 30 legislative days unless before that time each committee advises the Secretary that it has no objection to the proposed action.

SECTION 3022—LIMITS ON GENERAL PLANT PROJECTS

Section 3022 would limit the initiation of "general plant projects" authorized by the bill if the current estimated cost for any project exceeds $1.2 million. However, if the Secretary of Energy finds that the estimated cost of any project will exceed $1.2 million, the appropriate committees of Congress must be notified of the reasons for the cost variation.

SECTION 3023—LIMITS ON CONSTRUCTION PROJECTS

Section 3023(a) would permit any construction project authorized by section 3012 to be initiated and continued only so long as the estimated cost for the project does not exceed 125 percent of the higher of (1) the amount authorized for the project or (2) the most recent total estimated cost presented to the Congress as justification for such project. To exceed such limits, the Secretary of Energy must report in detail to the appropriate committees of Congress and the report must be before the appropriate committees for 30 legislative days unless before that time each such committee advises the Secretary that it has no objection to the proposed action.

Subsection 3023(b) specifies that the 125 percent limitation would not apply to projects estimated to cost under $5 million.

SECTION 3024(a)—FUND TRANSFER AUTHORITY

Section 3024(a) would permit, subject to provisions of appropriations Acts, funds authorized to be appropriated by the bill to be transferred to other agencies of the government for performance of work for which the appropriation is made and would permit the merger of such funds with the appropriations of the agency to which they are transferred.

Subsection 3024(b) would permit the Secretary of Defense to transfer to the Secretary of Energy not more than $200 million of the funds appropriated for fiscal year 1987 to the Department of Defense for research, development, test, and evaluation for the Defense Agencies for the performance of the work for which the funds were authorized to be appropriated and would permit the merger of such funds with the appropriations of the Department of Energy.

SECTION 3025—AUTHORITY FOR CONSTRUCTION DESIGN

Section 3025 would permit the Secretary of Energy to use plant engineering and design funds authorized by the bill not to exceed $2 million for each project, to carry out construction design services for any construction project. Where the design cost for such planning and design project is estimated to exceed $300,000, the Secretary would be required to notify the appropriate committees of Congress at least 30 days before funds are obligated for design services.

SECTION 3026—AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN

Section 3026 would permit, in addition to any advance planning and construction design otherwise authorized by the bill, the Secretary of Energy to perform planning and design utilizing available funds for any Department of Energy national security program construction project whenever the Secretary determines that the design must proceed expeditiously to meet the needs of national defense or to protect property or human life.

SECTION 3027—FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY

Section 3027 would authorize, subject to the provisions of appropriation Acts, amounts appropriated pursuant to this Act for management and support activities and for general plant projects to be made available for use, when necessary, in connection with all national security programs of the Department of Energy.

SECTION 3028—ADJUSTMENTS FOR PAY INCREASES

Section 3028 would authorize such additional or supplemental appropriations as may be necessary to fund increases authorized by law for salary, pay, retirement, or other benefits for Federal employees.

SECTION 3029—AVAILABILITY OF FUNDS

Section 3029 would authorize, subject to a provision of an appropriation Act, amounts appropriated for "operating expenses" or for "plant and capital equipment" to remain available until expended.

PART C—SPECIAL PROGRAM PROVISIONS

SECTION 3031—PROTECTION OF SENSITIVE TECHNICAL INFORMATION

In recommending the provisions of section 3031, the committee is mindful of the 40-year-long controversy over where the Federal government should stand with respect to inventions and discoveries arising from government-sponsored research. The principles sought to be balanced in that controversy—allowing inventions and discoveries to be commercialized, on the one hand, and legitimate government interests to be protected, on the other—apply equally with respect to operating contracts of government-owned, contractor-operated facilities of the Department of Energy and the Department of Defense, which are 100-percent funded by the Federal government.

As it applies to national defense activities of the Department of Energy, Federal patent law permits the government and its contractors to allocate by the terms of their funding agreements their respective interests in all inventions or discoveries arising in the course of their contracts. Section 3031 recognizes that the national defense activities of the Department of Energy involve high technology, are conducted by very few contractors at unique facilities, involve arcane technical information, and dwell in significant part in basic and applied research. The contracts under which they are pursued cannot reasonably foresee the full range of inventions or discoveries that might arise. The inventions and discoveries made or conceived under these contracts could, for example, have application to national defense, nuclear weapons proliferation, intelligence gathering, terrorism, and the security of nuclear weapons. In addition the public interest may require that information be shared freely among the small number of contractors involved. Taken together these varied considerations make clear that general or "blanket" policies are not adequate and that there is a need for expert and tailored advice to the Secretary of Energy as to whether to assert or not assert a government claim with respect to an invention or discovery.

Section 3031 would require the Secretary of Energy to decide on a case-by-case basis whether to assert, or not assert, a claim that an invention or discovery made or conceived under a goverment contract or subcontract related to the Naval Nuclear Propulsion and Nuclear Weapons Programs and other Atomic Energy Defense Activities of the Department of Energy should be the property of the government. Further, the section would require the Secretary to consider the recommendations and determinations of the Military Liaison Committee as to whether, as a result of a decision not to assert such a claim: national security will be compromised; sensitive technical information will be released to unauthorized recipients; organizational conflict of interest will result; or the operations of any Naval Nuclear Propulsion, Nuclear Weapons, or the Atomic Energy Defense Program of the Department of Energy would be adversely affected. In making its recommendations and determinations, the Military Liaison Committee would be required to consult with the Director of the Naval Nuclear Propulsion Program and the Assistant Secretary of Energy for Defense Programs on matters within their areas of expertise and purview. The Secretary of Energy, in cooperation with the Secretary of Defense, would be directed to implement the provisions of section 3031.

The committee has included the requirement that the Secretary act within a "reasonable time" following the procedural and decisional requirements of existing law and regulations. The committee found that the differing decision schedules contained in those laws and regulations do not permit establishment of a firm deadline for the Secretary's decision. The committee expects, however, that in most cases the Secretary's decision will be made within six months after a question is presented to him for final action under existing procedures.

Section 27 of the Atomic Energy Act of 1954 established the Military Liaison Committee as a vehicle for consultation and advice between the Department of Defense and the Department of Energy on matters involving the military applications of nuclear energy. The Committee, whose chairman is appointed by the President and confirmed by the Senate, is the primary clearing house for atomic energy information exchanges between the two departments. As such, the Committee would be an invaluable aid to the Secretary's decisions. In addition, the Director of the Naval Nuclear Propulsion Program established by Executive Order 12344 (made permanent by section 7158 of title 42 United States Code), and the Assistant Secretary of Energy for Defense Programs are the most knowledgeable sources of advice to the Secretary on the respective programs under their purview.

SECTION 3032—RESTRICTION ON USE OF FUNDS TO PAY PENALTIES UNDER ENVIRONMENTAL LAWS

Section 3032 would prohibit the use of authorized funds to pay penalties, fines, forfeitures or settlements, or to perform work on services required by any other Federal, state, or local agency due to the failure of any defense activity or facility of the Department of Energy to comply with environmental requirements where the Secretary of Energy finds: compliance from a practical standpoint impossible within the time prescribed; or where the President has specifically requested funds for compliance and the Congress has not provided the funds, or the funds for compliance have been appropriated but sequestered, or deferred, or rescinded by law.

SECTION 3033—STUDY OF PRODUCTION REACTOR SAFETY

Section 3033 would require an independent assessment by the National Academy of Sciences of the safety of the "N" production reactor at Hanford, Washington. This reactor is similar in some respects to the Chernobyl reactor in the Ukraine. The study would review any technical safety issues and report concurrently to the Congress and to the Secretary of Energy, who is directed to provide his comments to the Congress.

SECTION 3034—COMMUNITY ASSISTANCE PAYMENTS

Section 3034 would amend section 1532 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1986 (Public Law 99-145). The amendment would make clear that authority to make a final financial settlement with Anderson County and Roane County, Tennessee and the City of Oak Ridge, Tennessee, and to terminate all annual assistance payments made to those entities pursuant to section 71 of the Atomic Energy Community Act of 1955 does not affect any other right, function, or duty of the Secretary with respect to such Act The amendment would further provide that the Secretary shall consider the purposes of the Atomic Energy Community Act of 1955 in continuing atomic energy defense functions of the Department of Energy.

SECTION 3035—AUTHORITY FOR DEPARTMENT OF ENERGY SECURITY PERSONNEL TO PURSUE FLEEING FELONS

Section 3035 would provide authority for a contractor protective force officer to engage in hot pursuit of a suspect who may have stolen a nuclear weapon, nuclear explosive device, or special nuclear material and flees beyond the boundaries of the government facility. The section would also require the Secretary of Defense, with approval of the Attorney General, to issue guidelines to implement this subsection.

Pursuant to section 161k of the Atomic Energy Act of 1954 (AEA) the Secretary of Energy may authorize employees of the Department of Energy (DOE) to carry firearms in the exercise of their official duties. These employees may make arrests without warrant for any offense against the United States involving property in the custody of the Department of Energy or a Department of Energy contractor or to enforce any provision of the Atomic Energy Act that may subject the offender to a fine, imprisonment or both. The pertinent legislative history of section 161k of the Atomic Energy Act suggests a congressional intent that the authority of protective force personnel of Department of Energy contractors might be limited to the performance of law enforcement functions on-site. In other words, section 161k of the Atomic Energy Act does not clearly provide authority for a contractor protective force officer to engage in hot pursuit of a suspect beyond the boundaries of a DOE facility. This section would eliminate that ambiguity.

The committee is especially appreciative for the consultation provided by the Committees on Energy and Commerce, Interior and Insular Affairs, and Judiciary in clarifying and defining the language in this section.

TITLE II—NATIONAL DEFENSE STOCKPILE

Review of National Defense Stockpile Policy

For the past 40 years, the policy of the United States Government has been to maintain a national defense stockpile. The purpose of the stockpile is to provide materials to supply the military, industrial and essential civilian needs for national defense purposes and to preclude a dangerous and costly dependence by the United States on foreign sources for supplies of such materials in times of national emergency.

Current national defense stockpile policy originated out of the experiences of World War I, World War II and the Korean conflict. For example, in World War I, materials prices escalated dramatically, and the U.S. industrial base was unable to mobilize quickly to provide the supplies and equipment needed to equip the American Expeditionary Forces. Possession of an innate capability to produce large amounts of war materiel was not enough: effective planning had to accompany that capability. Notwithstanding tremendous outlays of funds, the United States fought World War I, in large part, with guns, munitions, airplanes, and other materiel borrowed or bought from the French and the English.

Between World War I and World War II, numerous studies and recommendations called for the stockpiling of strategic materials to prevent the mistakes that occurred during World War I. The United States entered World War II with no adequate stockpile of strategic materials and thereby lost the advantage of bringing superior industrial capability to bear at the outset of hostilities. This failure to prepare in advance required dramatic decisions: to allocate the limited supplies available, to restrict civilian consumption, to require the use of substitutes, to make technological changes in manufacturing processes, to expend vast sums to develop low grade domestic sources of supply and, above all, to use shipping badly needed for military purposes. Warnings of these consequences were sounded prior to the war but to no avail.

At the close of World War II, the Stock Piling Act of 1946 was enacted to provide for an adequate national Defense Stockpile.

However, the United States entered the Korean conflict with a woefully inadequate stockpile. As a result, the frantic effort to acquire strategic materials completely disrupted world prices. As an example, between May 1950 and January 1951, in a period of little more than six months, the price of tin increased 135 per cent, antimony 71 per cent, lead and zinc 45 per cent, and crude rubber 157 per cent. Similarly, substantial increases in price occurred in copper, tungsten, wool, silk and numerous other vital materials, increasing the cost of the stockpiling and rearmament program.

As a result of these experiences, the National Defense Stockpile became a very important part of U.S. national security policy. However, since the early 1950's, the stockpile policy and goals have changed periodically, resulting from varied perceptions concerning the strategic threat. In addition, the stockpile has been used for economic, budgetary and other purposes, at times degrading national defense capabilities.

On July 8, 1985, the Administration proposed a new National Defense Stockpile policy, including the sale of $2.5 billion of strategic asssets and the reduction of stockpile goals from $16 billion (May 1985 prices) to $6.6 billion. Materials proposed for sale included chromium, cobalt, manganese, and platinum, all of which are primarily supplied by South Africa or the Soviet Union.

In response to the Committee's request for an evaluation of the proposed policy, the General Accounting Office, in their letter of June 6, 1986, concluded that the study conducted by the National Security Council was not based on sound national security planning assumptions. The GAO letter stated: "Thus, while our conclusion is qualified because we have not yet completed our analyses and still require additional data from NSC and the agencies to do so, our preliminary assessment is that the NSC study does not appear to be a sufficient basis for setting stockpile goals or as a basis for other U.S. mobilization planning."

During the past two fiscal years, the Administration has completely ignored congressional direction regarding stockpiles. The committee is deeply concerned about the fiscal year 1987 budget proposal to transfer monies from the National Defense Stockpile Transaction Fund to the general fund of the Treasury. Such a transfer would evade the provision of the Stock Piling Act which prohibits the disposal of material from the stockpile if the disposal would result in an unobligated balance in the Stockpile Transaction Fund in excess of $250 million. The committee is equally concerned about the proposal of the Administration to dispose of large quantities of materials from the stockpile.

How stockpile goals are developed within the Executive Branch is unclear, as is the basis for decisions affecting the quantity, quality or form of materials to be included in the stockpile.

As a result, the committee believes that steps must be taken to bring about stability to the stockpile program and recommends that stockpile requirements be established in statute. The committee believes that a statutory basis for stockpile requirements would alleviate manipulation of those requirements for economic, budgetary or any other reason and prevent the purchase of unneeded materials due to or pressure from producers or foreign governments.

Finally, the committee strongly believes the stockpile program should be consolidated under the Department of Defense to rectify the long recognized management deficiencies.

The committee recommends a number of provisions to accomplish these goals. Each is discussed briefly below.

SUMMARY OF LEGISLATIVE PROVISIONS

SECTION 3102—STOCKPILE REQUIREMENTS

Section 3102 would amend section 2 of the Strategic and Critical Materials Stock Piling Act (section 98a of title 50, United States Code) by restating the intent of Congress that the National Defense Stockpile be used to serve the interest of national defense only and not be used for economic or budgetary purposes and that the quantities of materials stockpiled under the Act should be sufficient to sustain the United States for a period of not less than three years in the event of a national emergency.

Section 3102 would provide that the quality, quantity and form of each material acquired and stored in the stockpile is to be established by law. Until Congress establishes new stockpile requirements, the stockpile goals as of October 1, 1984 would remain in effect.

SECTION 3103—TRANSFER OF CERTAIN STOCKPILE FUNCTIONS TO THE SECRETARY OF DEFENSE

Section 3103 would transfer management of the stockpile to the Secretary of Defense.

SECTION 3104—ANNUAL RECOMMENDATION OF STOCKPILE REQUIREMENTS BY THE SECRETARY OF DEFENSE

Section 3104 would direct the Secretary of Defense to submit an annual report of his recommended requirements for the National Defense Stockpile and set forth the National Emergency Planning Assumptions to be used in determining stockpile requirements. The section would also require the Secretary to classify strategic and critical materials based on net import reliance. As advisory information to Congress, the Secretary would be required to calculate quantities of stockpile materials based on a net import formula. When stockpile requirements recommended in the annual report differ from the quantities of materials derived from the net import formula, the Secretary would provide a detailed explanation of the reasons for such differences. The section would also require the Secretary of Defense to conduct a detailed review of stockpile requirements at least every five years.

SECTION 3105—STOCKPILE MANAGEMENT

Section 3105 would provide authority to the Secretary of Defense to enter into reimbursable agreements with any other department or agency relating to stockpile management. The section would also authorize appropriations for the Department of Defense for the operation and management of the stockpile.

SECTION 3106—EXTENSION OF USES OF STOCKPILE TRANSACTION FUND

Section 3106 would amend certain existing provisions of law and provide authority for monies in the National Defense Stockpile

Transaction Fund to be used for the development of stockpile specifications, upgrading of existing stockpile materials, testing and quality studies, transportation, storage and other reasonable requirements for stockpile management.

SECTION 3107—MISCELLANEOUS TECHNICAL AMENDMENTS

Section 3107 would provide for technical and clarifying amendments.

TITLE III—CIVIL DEFENSE

Consistent with committee policy, recommendation of authorization for the civil defense program is included as a separate title in the annual Department of Defense authorization bill.

SECTION 3201—AUTHORIZATION OF APPROPRIATIONS

The budget request contained $126.565 million for civil defense. The committee recommends a total authorization of $126.565 million for fiscal year 1987. This authorization level would provide for a 5 percent decrease below the fiscal year 1986 enacted appropriation of $136.7 million before sequestration. With approval of the entire budget request, the committee expects the Federal Emergency Management Agency to be able to maintain the status quo for civil defense programs pending final action within the Administration on the civil defense review mandated by the fiscal year 1986 conference report on the Defense Authorization Act (H. Rept. 99-235).

The following table summarizes the committee's recommendations:

[In thousands of dollars]

	Fiscal year 1987 budget request	Committee approved
Emergency Management Planning and Assistance:		
State and local emergency management	54,835	54,835
Radiological defense	9,225	9,225
Population protection	11,393	11,393
Protection of industrial capability	0	0
State and local direction, control and warning	535	535
Research	100	100
Training and education	9,134	9,134
Telecommunications and warning	13,697	13,697
Salaries and expenses	27,646	27,646
Total	126,565	126,565

DIVISION D—MISCELLANEOUS GENERAL PROVISIONS

LEGISLATIVE PROVISIONS

SECTION 4001—CLERICAL AMENDMENTS

Section 4001 would effect clerical and stylistic corrections in title 10, United States Code (relating to the armed forces), title 37, United States Code (relating to pay and allowances of the uniformed services), and in title 14, United States Code (relating to the Coast Guard).

SECTION 4002—TECHNICAL CORRECTION TO DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1985

Section 602 of Public Law 98-525 revised the rates of the basic allowance for quarters for members of the uniformed services. Section 4002 would rectify an unintended inversion in certain of the new rates.

SECTION 4003—TECHNICAL CORRECTIONS TO PROVISIONS ENACTED BY THE DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

Section 4003 would correct several technical defects in the language of Public Law 99-145. The corrections would relate to aviation career incentive pay, retention of general officers in the reserve components, reserve medical officers' special pay, and savings provisions concerning dental officers' pay and the variable housing allowance. Section 4003 would also repeal duplicative amendments and correct section references in Public Law 99-145.

SECTION 4004—CIVIL AIR PATROL

Section 4004 would amend section 9441(b)(9) of title 10, United States Code, that relates to activities of the Civil Air Patrol. Specifically, section 4004 would permit the Civil Air Patrol to improve major equipment items that are obtained by other means than through the Department of Defense excess property program. Current law precludes the Civil Air Patrol from modernizing equipment that is obtained through donation or other means of acquisition.

INTELLIGENCE RELATED ACTIVITIES

As part of its oversight responsibilities for Department of Defense Intelligence Related Activities, the committee reviewed and took action on the Intelligence Related Activities programs included in this bill. In taking this action the committee reached agreement with the House Permanent Select Committee on Intelligence on the recommended authorization levels for these Intelligence Related Activities programs.

DEPARTMENTAL DATA

The legislation was requested by the Department of Defense, in accordance with the program of the President, as is illustrated by the correspondence set out below:

DEPARTMENT OF DEFENSE AUTHORIZATION REQUEST FOR FISCAL YEAR 1987

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE,
Washington, DC, March 7, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
*Speaker of the House of Representatives,
Washington, DC.*

DEAR MR. SPEAKER: There is forwarded herewith legislation, "To authorize appropriations for fiscal year 1987 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes."

In accordance with the Congressional Budget Act of 1974, and section 1405 of the Department of Defense Authorization Act, 1986, we are also submitting herewith, as separate legislation, a similar request for authorization of appropriations for fiscal years 1988 and 1989.

These proposals are part of the Department of Defense legislative program for the 99th Congress and the Office of Management and Budget advises that enactment of these proposals would be in accord with the program of the President.

Title I provides procurement authorization for the Military Departments and for the Defense Agencies in amounts equal to the budget authority included in the President's budget for fiscal year 1987. It contains a provision that extends for fiscal year 1987 the authority to waive certain costs in connection with the NATO AWACS program.

Title II provides for the authorization of each of the research, development, test, and evaluation appropriations for the Military Departments and the Defense Agencies in amounts equal to the budget authority included in the President's budget for fiscal year 1987. The authorization includes a provision that authorizes the appropriation of funds to cover unbudgeted increases as a result of pay increases for civilian personnel paid from the research, development, test, and evaluation appropriations for the purchase of foreign currencies from the Treasury Department for Department of Defense programs.

Title III provides for authorization of the operation and maintenance appropriations of the Military Departments and the Defense Agencies in amounts equal to the budget authority included in the President's budget for fiscal year 1987. The authorization includes a provision that authorizes the appropriation of funds that are necessary to cover unbudgeted increases in fuel costs, unbudgeted civilian pay increases, and unbudgeted inflation in the cost of activities covered by Title III. Title III also includes the authorization of appropriations for the purpose of providing capital for working-capital funds of the Military Departments and the Defense Agencies in amounts equal to the budget authority included in the President's budget for fiscal year 1987. It also contains a provision authorizing the appropriation of funds for providing assistance to the 10th International Pan American Games in accordance with section 304 of the Department of Defense Authorization Act, 1986.

Title IV prescribes the end strengths for active duty personnel in each component of the armed forces as required by section 138(c)(1) of title 10, United States Code, in the numbers provided for by the budget authority and appropriations requested for these components for fiscal year 1987.

Title V provides for end strengths of the Selected Reserve of each reserve component of the Armed Forces in the numbers provided for by the budget authority and appropriations requested for the Department of Defense in the President's budget for fiscal year 1987. Title V also prescribes the end strengths for reserve component members on full-time active duty or full-time National Guard duty for the purpose of administering the reserve forces and provides for an increase in the number of certain enlisted and commissioned personnel who may be serving on active duty in support of the reserve components. Finally, Title V amends section 138(b)(1) of title 10, United States Code, by deleting the reference to authorization of the average strength of the Selected Reserve in accordance with the Department's request for authorization of Selected Reserve strength on the basis of an end strength.

Title VI provides that the provisions of section 138(c)(2) of title 10, United States Code, pertaining to the authorization of a civilian personnel end strength for the Department of Defense shall not be applicable with respect to fiscal year 1987.

Title VII provides for the average military training student loads as required by section 138(d)(1) of title 10, United States Code, in the numbers provided for this purpose in the President's budget for fiscal year 1987.

Title VIII consists of three general provisions. Section 801 increases the size of the Special Defense Acquisition Fund by $100,000,000. Section 802 amends the provisions of section 1079(a)(7) of title 10, United States Code, which codified the recurring annual provision formerly in the Appropriation Act pertaining to medical care under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). The amendment, which would become effective as of October 1, 1985, deletes the provision relating to reimbursements when a person was covered by an insurance plan that provided at least 75 percent coverage for the care received and substitutes a provision referring to an insurance plan providing primary coverage for the person's medical care. This will make the codified provision identical to the recurring provision which was amended in the Appropriation Act subsequent to the codification of section 1079(a)(7). Section 803 repeals section 2208(j) of title 10, United States Code, relating to the Industrial Fund Asset Capitalization Program.

Sincerely,

H. LAWRENCE GARRETT III.

Enclosures.

A BILL To authorize appropriations for fiscal year 1987 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and mantenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Defense Authorization Act, 1987".

TITLE I—PROCUREMENT

AUTHORIZATION OF APPROPRIATIONS, ARMY

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1987 for procurement of aircraft, missiles, weapons, and tracked combat vehicles, and ammunition and for other procurement for the Army as follows:

For aircraft, $3,264,700,000.
For missiles, $2,438,200,000.
For weapons and tracked combat vehicles, $4,452,600,000.
For ammunition, $2,254,000,000.
For other procurement, $6,169,000,000.

AUTHORIZATION OF APPROPRIATIONS, NAVY AND MARINE CORPS

SEC. 102. (a) Funds are hereby authorized to be appropriated for fiscal year 1987 for procurement of aircraft, weapons (including missiles and torpedoes), shipbuilding and conversion, and other procurement for the Navy as follows:

For aircraft, $11,304,300,000.
For weapons (including missiles and torpedoes), $6,095,400,000.
For shipbuilding and conversion, $11,046,200,000.
For other procurement, $6,538,800,000.

(b) Funds are hereby authorized to be appropriated for fiscal year 1987 for procurement for the Marine Corps (including missiles, tracked combat vehicles, and other weapons) in the amount of $1,565,000,000.

AUTHORIZATION OF APPROPRIATIONS, AIR FORCE

SEC. 103. Funds are hereby authorized to be appropriated for fiscal year 1987 for procurement of aircraft and missiles and for other procurement for the Air Force as follows:

For aircraft, $19,127,400,000.
For missiles, $8,982,400,000.
For other procurement, $10,900,300,000.

AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

SEC. 104. Funds are hereby authorized to be appropriated for fiscal year 1987 for the Defense Agencies in the amount of $1,488,400,000.

AUTHORIZATION OF APPROPRIATIONS FOR CHEMICAL DEMILITARIZATION

SEC. 105. Funds are hereby authorized to be appropriated for fiscal year 1987 for the purposes of the destruction of lethal chemical weapons in accordance with section 1412 of the Department of Defense Authorization Act, 1986, in the amount of $120,100,000.

CERTAIN AUTHORITY PROVIDED THE SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AIRBORNE WARNING AND CONTROL SYSTEM (AWACS) PROGRAM

Sec. 106. Effective on October 1, 1986, section 103(a) of the Department of Defense Authorization Act, 1982 (Public Law 97-86; 95 Stat. 1100) is amended by striking out "fiscal year 1986" both places it appears and inserting in lieu thereof "fiscal year 1987".

TITLE II—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

AUTHORIZATION OF APPROPRIATIONS

Sec. 201. (a) Funds are hereby authorized to be appropriated for fiscal year 1987 for the use of the Armed Forces for research, development, test, and evaluation, in amounts as follows:

For the Army, $5,550,300,000.

For the Navy (including the Marine Corps), $10,586,800,000.

For the Air Force, $17,275,400,000.

For the Defense Agencies, $8,517,400,000, of which $141,800,000 is authorized for the activities of the Deputy Under Secretary of Defense, Test and Evaluation and of which $11,300,000 is authorized for the Director, Operational Test and Evaluation.

(b) There are authorized to be appropriated for fiscal year 1987, in addition to the amounts authorized to be appropriated in subsection (a) such amounts as may be necessary for unbudgeted amounts for salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided by funds authorized to be appropriated in subsection (a).

AUTHORIZATION OF APPROPRIATIONS FOR FOREIGN CURRENCY PURCHASES

Sec. 202. Funds are hereby authorized to be appropriated for fiscal year 1987 in the amount of $3,500,000 for the purchase of foreign currencies from the Treasury Department to pay expenses incurred in carrying out programs of the Department of Defense.

TITLE III—OPERATION AND MAINTENANCE

AUTHORIZATION OF APPROPRIATIONS

Sec. 301. (a) Funds are hereby authorized to be appropriated for fiscal year 1987 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

For the Army, $21,341,870,000.

For the Navy, $25,688,500,000.

For the Marine Corps, $1,864,100,000.

For the Air Force, $21,214,500,000.

For the Defense Agencies, $8,573,700,000.

For the Army Reserve, $793,100,000.

For the Naval Reserve, $975,900,000.

For the Marine Corps Reserve, $65,300,000.

For the Air Force Reserve, $975,600,000.

For the Army National Guard, $1,786,900,000.

For the Air National Guard, $1,932,700,000.

For the National Board for the Promotion of Rifle Practice, $930,000.

For Defense Claims, $155,600,000.

For the Court of Military Appeals, $3,400,000.

For Environmental Restoration, Defense, $385,900,000.

(b) There are authorized to be appropriated for fiscal year 1987, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs;

(2) for unbudgeted increases as the result of inflation in the cost of activities authorized by subsection (a); and

(3) for unbudgeted amounts for salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

AUTHORIZATION OF APPROPRIATIONS FOR WORKING CAPITAL FUNDS

SEC. 302. Funds are hereby authorized to be appropriated for fiscal year 1987 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for providing capital for working-capital funds, in amounts as follows:

For the Army Stock Fund, $296,700,000.

For the Navy Stock Fund, $478,500,000.

For the Marine Corps Stock Fund, $45,900,000.

For the Air Force Stock Fund, $239,400,000.

For the Defense Stock Fund, $136,800,000.

AUTHORIZATION OF APPROPRIATIONS FOR TENTH INTERNATIONAL PAN AMERICAN GAMES

SEC. 303. Funds are hereby authorized to be appropriated for fiscal year 1987 for assistance to the Tenth International Pan American Games in accordance with section 304 of the Department of Defense Authorization Act, 1986, in the amount of $15,000,000.

TITLE IV—ACTIVE FORCES

SEC. 401. The Armed Forces are authorized strengths for active duty personnel as of September 30, 1987, as follows:

(1) The Army, 780,900.

(2) The Navy, 592,700.

(3) The Marine Corps, 200,300.

(4) The Air Force, 607,200.

TITLE V—RESERVE FORCES

AUTHORIZATION OF END STRENGTHS FOR SELECTED RESERVE

SEC. 501. (a) For fiscal year 1987 the Selected Reserve of the reserve components of the Armed Forces shall be programmed to attain end strengths of not less than the following:

(1) The Army National Guard of the United States 462,800.
(2) The Army Reserve, 327,600.
(3) The Naval Reserve, 155,700.
(4) The Marine Corps Reserve, 44,400.
(5) The Air National Guard of the United States, 115,200.
(6) The Air Force Reserve, 80,500.
(7) The Coast Guard Reserve, 13,000.

(b) The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

AUTHORIZATION OF END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

SEC. 502. (a) Within the end strengths prescribed in section 501, the reserve components of the Armed Forces are authorized, as of September 30, 1987, the following number of Reserves to be serving in full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 28,721.
(2) The Army Reserve, 13,657.
(3) The Naval Reserve, 23,197.
(4) The Marine Corps Reserve, 1,782.
(5) The Air National Guard of the United States, 8,356.
(6) The Air Force Reserve, 676.

(b) Upon a determination by the Secretary of Defense that such action is in the national interest, and end strengths prescribed by subsection (a) may be increased by a total of not more than the number equal to 2 percent of the total end strengths prescribed.

(c) Upon the exercise of the authority provided by sections 673 or 673b of title 10, United States Code, Reserves covered by this section may perform duty in connection with sections 673 or 673b and shall not be counted against the number of Reserves ordered to active duty under those sections. Appropriations available for the pay of Reserves covered by this title section prior to the exercise of the authority provided by sections 673 or 673b shall continue to be available for the pay of Reserves-covered by this section.

SEC. 503. The first sentence of section 138(b)(1) of title 10, United States Code, is amended by striking our "average".

INCREASE IN NUMBER OF CERTAIN PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS

SEC. 502. (a) The table in section 517(b) of title 10, United States Code, is amended to appear as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E-9	554	165	140	13
E-8	2,199	381	438	74".

(b) The table in section 524(a) of such title is amended to appear as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,340	900	584	115
Lieutenant Colonel or Commander	1,681	520	415	75
Colonel or Navy Captain	439	188	207	25".

(c) The amendments made by subsections (a) and (b) shall take effect on October 1, 1986.

TITLE VI—CIVILIAN PERSONNEL

AUTHORIZATION OF END STRENGTH

SEC. 601. The provisions of section 138(c)(2) of title 10, United States Code, shall not apply with respect to fiscal year 1987 or with respect to the appropriation of funds for that year.

TITLE VII—MILITARY TRAINING STUDENT LOADS

AUTHORIZATION OF TRAINING STUDENT LOADS

SEC. 701. (a) For fiscal year 1987, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 76,758.
(2) The Navy, 72,483.
(3) The Marine Corps, 19,433.
(4) The Air Force, 43,911.
(5) The Army National Guard of the United States, 18,262
(6) The Army Reserve, 15,858.
(7) The Naval Reserve, 3,493.
(8) The Marine Corps Reserve, 3,944.
(9) The Air National Guard of the United States, 3,566.
(10) The Air Force Reserve, 2,127.

(b) The average military student loads for the Army, the Navy, the Marine Corps, and the Air Force and the reserve components authorized in subsection (a) for fiscal year 1987 shall be adjusted consistent with the manpower strengths authorized in title IV and V of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the reserve components in such manner as the Secretary of Defense shall prescribe.

TITLE VIII—GENERAL PROVISIONS

SPECIAL DEFENSE ACQUISITION FUND

SEC. 801. Section 138(g) of title 10, United States Code is amended by striking out "$1,000,000,000 and inserting in lieu thereof "1,100,000,000".

REIMBURSEMENTS UNDER THE CIVILIAN HEALTH AND MEDICAL PROGRAM OF THE UNIFORMED SERVICES

SEC. 802. (a) Section 1079(a)(7) of title 10, United States Code, is amended by striking out "pays for at least 75 percent of" and inserting in lieu thereof "provides primary coverage for".

(b) The amendments made by subsection (a) shall be effective as of October 1, 1985.

INDUSTRIAL FUND CAPITALIZATION PROGRAM

SEC. 803. Section 2208(j) of title 10, United States Code is repealed.

CIVIL DEFENSE AUTHORIZATION REQUEST FOR FISCAL YEAR 1987

FEDERAL EMERGENCY MANAGEMENT AGENCY,
Washington, DC, February 5, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Enclosed is proposed legislation "To authorize appropriations for civil defense programs for Fiscal Years 1987 and 1988."

In accordance with section 408 of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2260), the bill authorizes appropriations of $126,565,000 for civil defense programs for Fiscal Year 1987, and such sums as may be necessary for Fiscal Year 1988.

The Office of Management and Budget advises that there is no objection to the submission of this proposed for consideration of the Congress and that its enactment would be in accord with the President's program.

Sincerely,

SPENCE W. PERRY,
Acting General Counsel.

Enclosure.

A BILL To authorize appropriations for civil defense programs for Fiscal Years 1987 and 1988, and for other purposes

***Be it enacted by the Senate and House of Represenatatives of the United States of America in Congress assembled,* That there is hereby authorized to be appropriated for the Fiscal Year ending September 30, 1987, to carry out the provisions of the Federal Civil Defense Act of 1950, the sum of $126,565,000 and for the Fiscal Year ending September 30, 1988, such sums as may be necessary.**

MILITARY CONSTRUCTION AUTHORIZATION REQUEST FOR FISCAL YEAR 1987

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE,
Washington, DC, February 14, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Enclosed is a draft of legislation "To authorize certain construction at military installations for Fiscal Year 1987, and for other purposes." The Office of Management and Budget advises that enactment of this legislation would be in accordance with the President's Budget for Fiscal Year 1987. Appropriations in support of Titles I through VII of this legislation are discussed in that Budget.

This proposal would authorize appropriations for new construction and family housing support for the Active Forces as follows: $3,445,216,000 for the Department of the Army, $2,588,293,000 for the Department of the Navy, $2,563,229,000 for the Department of the Air Force, and $692,200,000 for the Defense Agencies. Included in Title I is authorization for construction of production base support at Army Ammunition Facilities. Title V would authorize $247,000,000 for the United States' share of the NATO Infrastructure Program. Title VII, totaling $451,200,000 would authorize appropriations for the Guard and Reserve Forces.

In addition to the authorization for appropriations, Title VI contains recurring administrative provisions applicable to the Military Construction Program in accordance with chapter 169 of title 10, United States Code. Title VIII contains nonrecurring general provisions. Title IX provides authorization for Fiscal Year 1988 to meet the basic requirements of the Congressional Budget and Impoundment Control Act of 1974, as amended.

The projects that would be authorized by this proposal have been reviewed to determine if environmental impact statements are required by Public Law 91-190; required environmental statements will be submitted to the Congress by the Military Departments.

Sincerely,

H. LAWRENCE GARRETT III.

Enclosure.

DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS AUTHORIZATION REQUEST FOR FISCAL YEAR 1987

DEPARTMENT OF ENERGY,
Washington, DC, March 10, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Enclosed is proposed legislation entitled the "National Security Programs Authorization Act for Fiscal Years 1987 and 1988". This bill would authorize specific appropriations for FY 87 and such sums as may be necessary for FY 88. The total amount that would be authorized in title I for FY 87 is $8,098,400,000, of which $6,523,694,000 is for operating expenses,

$1,027,241,000 is for construction projects, and $547,465,000 is for capital equipment.

Title II sets forth general provisions that would govern reprogramming of funds, general plant projects, construction projects, fund transfers, construction designs, and availability of funds.

The Office of Management and Budget advises that enactment of this legislative proposal would be in accord with the program of the President.

Sincerely,

J. MICHAEL FARRELL,
General Counsel.

Enclosure.

A BILL To authorize appropriations for the Department of Energy for national security programs for fiscal year 1987 and fiscal year 1988, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Security Programs Authorization Act for Fiscal Years 1987 and 1988."

TITLE I—NATIONAL SECURITY PROGRAMS

OPERATING EXPENSES

SEC. 101. Funds are authorized to be appropriated to the Department of Energy for fiscal year 1987 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For weapons activities, $3,752,554,000.

(2) For materials production, $1,596,390,000.

(3) For defense waste and byproducts management, $455,050,000.

(4) For verification and control technology, $95,500,000.

(5) For nuclear safeguards and security, $61,100,000.

(6) For security investigations, $33,300,000.

(7) For naval reactors development, $529,800,000.

PLANT AND CAPITAL EQUIPMENT

SEC. 102. Funds are authorized to be appropriated to the Department of Energy for fiscal year 1987 for plant and capital equipment (including planning, construction, acquisition, and modification of facilities, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project 87-D-101, general plant projects, various locations, $29,000,000.

Project 87-D-121, general plant projects, various locations, $32,000,000.

Project 87-D-102, environmental compliance and cleanup, Lawrence Livermore National Laboratory, Livermore, California and Site 300, California, $7,000,000.

Project 87-D-104, safeguards and security enhancements, Phase II, Lawrence Livermore National Laboratory, Livermore, California, $4,300,000.

Project 87-D-122, short-range attack missile II (SRAM II) warhead production facilities, various locations, $5,000,000.

Project 87-D-123, protective clothing decontamination facility, Rocky Flats Plant, Golden, Colorado, $500,000.

Project 87-D-127, environmental, safety, and health upgrade, Mound Plant, Miamisburg, Ohio, $2,400,000.

Project 87-D-130, receiving and shipping facility, Pinellas Plant, St. Petersburg, Florida, $300,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $5,300,000, for a total project authorization of $9,000,000.

Project 86-D-104, strategic defenses facility, Sandia National Laboratories, Albuquerque, New Mexico, $13,000,000, for a total project authorization of $17,000,000.

Project 86-D-105, instrumentation system laboratory, Sandia National Labortatories, Albuquerque, New Mexico, $5,800,000, for a total project authorization of $12,000,000.

Project 86-D-106, laboratory data communications center, Los Alamos National Laboratory, Los Alamos, New Mexico, $12,000,000, for a total project authorization of $15,000,000.

Project 86-D-122, structural upgrade of existing plutonium facilities, Rocky Flats Plant, Golden, Colorado, $2,420,000, for a total project authorization of $5,420,000.

Project 86-D-123, environmental hazards elimination, various locations, $16,840,000, for a total project authorization of $25,540,000.

Project 86-D-124, safeguards and site security upgrading, Phase II, Mound Plant, Miamisburg, Ohio, $1,880,000, for a total project authorization of $4,880,000.

Project 86-D-125, safeguards and site security upgrade, Phase II, Pantex Plant, Amarillo, Texas, $8,410,000, for a total project authorization of $9,910,000.

Project 86-D-130, Tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina, $29,700,000, for a total project authorization of $34,700,000.

Project 85-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase I, various locations, $29,950,000, for a total project authorization of $130,750,000.

Project 85-D-103, safeguards and security enhancements, Lawrence Livermore National Laboratory and Sandia National Laboratories, Livermore, California, $6,500,000, for a total project authorization of $27,600,000.

Project 85-D-105, combined device assembly facility, Nevada Test Site, Las Vegas, Nevada, $9,400,000, for a total project authorization of $24,000,000.

Project 85-D-106, hardened engineering test building, Lawrence Livermore National Laboratory, Livermore, California, $330,000, for a total project authorization of $3,030,000.

Project 85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, Tennessee, $19,000,000, for a total project authorization of $38,800,000.

Project 85-D-113, power plant and steam distribution system, Pantex Plant, Amarillo, Texas, $1,790,000, for a total project authorization of $24,790,000.

Project 85-D-115, renovate plutonium building utility systems, Rocky Flats Plant, Golden, Colorado, $13,440,000, for a total project authorization of $34,040,000.

Project 85-D-121, air and water pollution control facilities, Y-12 Plant, Oak Ridge, Tennessee, $9,160,000, for a total project authorization of $28,160,000.

Project 85-D-125, tactical bomb production facilities, various locations, $12,800,000, for a total project authorization of $28,800,000.

Project 84-D-102, radiation-hardened integrated circuit laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $3,000,000, for a total project authorization of $40,500,000.

Project 84-D-107, nuclear testing facilities revitalization, various locations, $13,300,000, for a total project authorization of $79,240,000.

Project 84-D-112, Trident II warhead production facilities, various locations, $14,500,000, for a total project authorization of $155,200,000.

Project 84-D-113, antisubmarine warfare/standoff weapon warhead production facilities, various locations, $42,000,000, for a total project authorization of $52,000,000.

Project 84-D-124, environmental improvements, Y-12 Plant, Oak Ridge, Tennessee, $9,280,000, for a total authorization of $38,280,000.

Project 84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, Tennessee, $27,220,000, for a total project authorization of $50,220,000.

Project 82-D-107, utilities and equipment restoration, replacement, and upgrade, Phase III, various locations, $97,904,000, for a total project authorization of $838,304,000.

Project 82-D-144, simulation technology laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $6,000,000, for a total project authorization of $40,000,000.

(2) For materials production:

Project 87-D-146, general plant projects, various locations, $35,980,000.

Project 87-D-149, reduced chemical discharges to process sewers, Richland, Washington, $3,150,000.

Project 87-D-150, radioactive liquid effluent treatment facility, partial design only, Richland, Washington, $4,000,000.

Project 87-D-152, environmental protection plantwide, Savannah River, South Carolina, $1,500,000.

Project 87-D-156, reactor effluent cooling water thermal mitigation, Savannah River, South Carolina, $5,000,000.

Project 87-D-159, environmental, health, and safety improvements, Phase I, Feed Materials Production Center, Fernald, Ohio, $10,000,000.

Project 87-D-149, productivity retention program, Phase I and II, various locations, $71,625,000, for a total project authorization of $95,825,000.

Project 86-D-150, in-core neutron monitoring system, N reactor, Richland, Washington, $2,760,000, for a total project authorization of $7,220,000.

Project 86-D-151, PUREX electrical system upgrade, Richland, Washington, $3,780,000, for a total project authorization of $6,280,000.

Project 86-D-152, reactor electrical distribution system, Savannah River, South Carolina, $8,410,000, for a total project authorization of $10,410,000.

Project 86-D-153, additional line III furnace, Savannah River, South Carolina, $7,605,000, for a total project authorization of $9,105,000.

Project 86-D-154, effluent treatment facility, Savannah River, South Carolina, $15,650,000, for a total project authorization of $18,150,000.

Project 86-D-156, plantwide safeguards systems, Savannah River, South Carolina, $13,610,000, for a total project authorization of $16,610,000.

Project 86-D-157, hydrofluorination system—FB-line, Savannah River, South Carolina, $2,310,000, for a total project authorization of $4,510,000.

Project 85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $36,530,000, for a total project authorization of $58,530,000.

Project 85-D-140, productivity and radiological improvements, Feed Materials Production Center, Fernald, Ohio, $23,500,000, for a total project authorization of $41,500,000.

Project 85-D-145, fuel production facility, Savannah River, South Carolina, $33,500,000, for a total project authorization of $59,300,000.

Project 84-D-134, safeguards and security improvements, plantwide, Savannah River, South Carolina, $7,515,000, for a total project authorization of $34,415,000.

Project 84-D-135, process facility modifications, Richland, Washington, $34,475,000, for a total project authorization of $66,975,000.

Project 84-D-136, enriched uranium conversion facility modifications, Y-12 Plant, Oak Ridge, Tennessee, $1,000,000, for a total project authorization of $20,600,000.

Project 82-D-124, restoration of production capabilities, Phases II, III, IV and V, various locations, $3,511,000, for a total project authorization of $352,045,000.

(3) For defense waste and byproducts management:

Project 87-D-171, general plant projects, interim waste operations and long-term waste management technology, various locations, $26,535,000.

Project 87-D-172, WESF K-3 filter upgrade, Richland, Washington, $500,000.

Project 87-D-173, 242-A evaporator crystallizer upgrade, Richland, Washington, $2,800,000.

Project 87-D-174, 241-AQ tank farm, Richland, Washington, $2,100,000.

Project 87-D-175, steam system rehabilitation, phase I, Richland, Washington, $900,000.

Project 87-D-177, test reactor area liquid radioactive waste cleanup system, phase III, Idaho National Engineering Laboratory (INEL), Idaho, $700,000.

Project 87-D-180, burial ground expansion, Savannah River, South Carolina, $6,300,000.

Project 87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina, $1,360,000.

Project 86-D-172, B-plant F-filter, Richland, Washington, $2,949,000, for a total project authorization of $3,949,000.

Project 86-D-174, low-level waste processing and shipping system, Feed Materials Production Center, Fernald, Ohio, $9,872,000, for a total authorization of $12,372,000.

Project 86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho National Engineering Laboratory (INEL), Idaho, $7,258,000 for a total project authorization of $9,258,000.

Project 85-D-158, central warehouse upgrade, Richland, Washington, $1,044,000, for a total project authorization of $6,744,000.

Project 85-D-159, new waste transfer facilities, Savannah River, South Carolina, $7,318,000, for a total project authorization of $27,318,000.

Project 85-D-160, test reactor area security system upgrade, Idaho National Engineering Laboratory (INEL), Idaho, $2,703,000, for a total project authorization of $6,953,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $123,967,000, for a total project authorization of $721,467,000.

(4) For verification and control technology:

Project 85-D-171, space science laboratory, Los Alamos, New Mexico, $2,000,000, for a total project authorization of $7,500,000.

(5) For naval reactors development:

Project 87-N-101, general plant projects, various locations, $4,800,000.

Project 87-N-102, Kesselring site facilities upgrade, Knolls Atomic Power Laboratory, West Milton, New York, $5,000,000.

Project 87-N-103, computation laboratory addition, Bettis Atomic Power Laboratory, West Mifflin, Pennsylvania, $2,300,000.

(6) For capital equipment not related to construction—

(A) for weapons activities, $322,870,000;

(B) for materials production, $126,090,000;

(C) for defense waste and byproducts management, $37,805,000;

(D) for verification and control technology $4,200,000;

(E) for nuclear safeguards and security $4,800,000; and,
(F) for naval reactors development, $51,700,000.

TITLE II—GENERAL PROVISIONS

REPROGRAMMING

SEC. 201. Except as otherwise provided in this Act—

(1) no amount appropriated pursuant to this Act may be used for any program in excess of 105 percent of the amount authorized for that program by this Act or $10,000,000 more than the amount authorized for that program by this Act, whichever is the lesser, and

(2) no amount appropriated pursuant to this Act may be used for any program which has not been presented to, or requested of, the Congress,

unless the Secretary of Energy (hereinafter in this title referred to as the "Secretary") transmits to the appropriate committees of Congress a full and complete statement of the action proposed to be taken with respect to the program and the facts and circumstances relied upon in support of the proposed action.

LIMITS ON GENERAL PLANT PROJECTS

SEC. 202. (a) The Secretary may carry out any construction project under the general plant projects provisions authorized by this Act if the total estimated cost of the construction project does not exceed $1,200,000.

(b) If at any time during the construction of any general plant project authorized by this Act, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,200,000, the Secretary shall immediately furnish a complete report to the appropriate committees of Congress explaining the reasons for the cost variation.

LIMITS ON CONSTRUCTION PROJECTS

SEC. 203. (a) Whenever the current estimated cost of a construction project, which is authorized by section 102 of this Act, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of (1) the amount authorized for the project, or (2) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress, construction may not be started or additional obligations incurred in connection with the project above the total estimated cost, as the case may be, unless a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three days to a day certain) has passed after receipt by the appropriate committees of the Congress of written notice from the Secretary containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the action.

(b) Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

FUND TRANSFER AUTHORITY

SEC. 204. To the extent specified in appropriation Acts, funds appropriated pursuant to this Act may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN

SEC. 205. In addition to the advance planning and construction design authorized by section 102, the Secretary may perform planning and design utilizing available funds for any Department of Energy national security program construction project whenever the Secretary determines that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY

SEC. 206. Subject to the provisions of appropriation Acts, amounts appropriated pursuant to this Act for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

AVAILABILITY OF FUNDS

SEC. 207. When so specified in an appropriation Act, amounts appropriated for "Operating Expenses" or for "Plant and Capital Equipment" may remain available until expended.

TITLE III—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1988

SEC. 301. There are authorized to be appropriated to the Department of Energy to be available not earlier than October 1, 1987, such sums as may be necessary for fiscal year 1988 for programs set forth in this Act.

COMMITTEE POSITION

The Committee on Armed Services, on July 24, 1986, a quorum being present, approved H.R. 4428, as amended, by a vote of 40 to 2.

FISCAL DATA

Pursuant to clause 7 of Rule XIII of the Rules of the House of Representatives, the committee attempted to ascertain annual outlays resulting from the bill during fiscal year 1987 and the four following fiscal years.

AGENCY ESTIMATES

Following are the estimated outlays by fiscal year as provided by the Department of Defense, the Federal Emergency Management Agency (for civil defense), and the Department of Energy for the legislation as requested:

[In millions of dollars]

	Department of Defense	Federal Emergency Management Agency	Department of Energy	Military construction
Request	227,931	126.6	8,098.4	9,987.1
Fiscal year:				
1987	127,892	126.6	5,338.5	2,430.5
1988	50,897	0	2,588.8	3,381.6
1989	24,480	0	158.2	2,167.2
1990	13,676	0	12.8	802.4
1991	6,838	0	0	568.4
1992 and beyond	4,148	0	0	637.0

The uncertainty with regard to the funding of the defense program precludes any precise estimates.

The combined request of $243.7 billion was approximately $25.9 billion above the bill as reported by the committee. Therefore, the spending rates related to the legislation as reported would, in all likelihood, be lower than shown here.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

In compliance with clause 2(l)(3)(C) of Rule XI of the Rules of the House of Representatives, the estimate prepared by the Congressional Budget Office and submitted pursuant to section 403 of the Congressional Budget Act of 1974 is included hereafter:

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 4428.

2. Bill title: National Defense Authorization Act for Fiscal Year 1987.

3. Bill status: As ordered reported by the House Committee on Armed Services, on July 24, 1986.

4. Bill purpose: This bill authorizes appropriations for the Armed Forces during fiscal year 1987 for:

The procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons;
Research, development, test, and evaluation (RDT&E);
Operation and maintenance (O&M);
Military Construction;
Atomic Energy Defense Activities;
Civil defense; and
Military personnel and compensation matters.

This bill prescribed authorized personnel strengths for each active duty component, for the Selected Reserve of each Reserve component, and for military training student loads.

The bill includes additional provisions which do not have a significant cost impact.

5. Estimated cost to the Federal Government: This bill would entail costs to the federal government in fiscal years 1987–91, as shown in the following table.

TABLE 1.—ESTIMATED COSTS OF THE NATIONAL DEFENSE AUTHORIZATION ACT, 1987 AS REPORTED BY THE HOUSE ARMED SERVICES COMMITTEE

[By fiscal year, in millions of dollars]

Category	1987	1988	1989	1990	1991
Function 050:					
Direct authorizations (table 2):					
Authorized level	217,757				
Estimated outlays	100,800	58,841	26,952	11,824	5,873
Estimated authorizations (table 3):					
Estimated BA/authorization level	74,539	−61	−77	−78	−79
Estimated outlays	72,303	2,177	−76	−78	−79
Subtotal-function 050:					
Estimated authorization level	292,296	−61	−77	−78	−79
Estimated outlays	173,103	61,018	26,876	11,746	5,794
Other functions: (table 4):					
Estimated BA/authorization level	−2,034				
Estimated outlays	−25,759	2	1	1	2
Bill total:					
Estimated authorization/BA	290,262	−61	−77	−78	−79
Estimated outlays	147,344	61,020	26,877	11,747	5,796

Totals may not add due to rounding.

Basis for estimate

All estimates assume that funds will be appropriated for the full amount of the authorization and will be available for obligation by October 1, 1986, unless otherwise specified. Outlays are estimated based on historical outlay rates for the relevant accounts.

The bill states authorizations for appropriations for several accounts totalling $217.8 billion for 1987. (Such authorizations occur annually). Table 2 shows the costs for each directly authorized account.

In addition, the bill contains serveral provisions that affect several budget functions and that require CBO to estimate cost impacts for 1987 and the outyears. Table 3 shows the costs of such provisions affecting function 050. Table 4 presents the costs affecting functions other than function 050.

The bill authorizes endstrengths for active duty and reserve military personnel. The estimated costs (presented in Table 3) of authorized military personnel levels are based on average pay rates and allowances including an amount for retired pay accrual. The amount included for retirement accrual is based on the military retirement reform bill (P.L. 99-348) signed by the President on July 1, 1986. Ths act reduced the accrual cost relative to current law by $182 million, but relative to the President's budget it raises the charge by $187 million primarily due to late enactment.

The estimated costs of military personnel also include the cost of a pay raise. The bill does not specifically state what amount will be paid, but this estimate assumes federal employees will receive a pay raise of 3 percent on January 1, 1987 as assumed in the budget resolution. A raise of this amount would increase the military personnel authorization by $1.5 billion, assuming that there is no absorption of the raise. The costs of the civilian pay raise have already been included in the direct authorization totals, e.g., operations and maintenance accounts (shown in Table 2). Therefore, no separate estimated costs are needed to reflect the civilian pay raise.

In addition to specifying personnel levels, the bill also authorizes certain changes in military compensation. Section 651 of the bill would reduce funding levels for permanent change of station allowances by $593.5 million by providing an authorization cap of $2,209 million for fiscal year 1987.

TABLE 2.—DIRECT AUTHORIZATIONS IN THE NATIONAL DEFENSE AUTHORIZATION ACT, 1987 AS REPORTED BY THE HOUSE ARMED SERVICES COMMITTEE

[By fiscal year, in millions of dollars]

Category	1987	1988	1989	1990	1991
Procurement:					
Authorization level	81,775				
Estimated outlays	11,488	26,162	20,650	10,059	5,541
RDT&E:					
Authorization level	35,723				
Estimated outlays	18,187	12,784	2,336	838	
O&M					
Authorization level	82,770				
Estimated outlays	63,265	14,375	1,527		
Military construction:					
Authorization level	8,645				
Estimated outlays	2,326	3,065	1,719	800	332
Stock funds:					
Authorization level	1,156				
Estimated outlays	879	208	69		
Atomic energy defense activities:					
Authorization level	7,559				
Estimated outlays	4,535	2,241	650	126	
Civil defense:					
Authorization level	127				
Estimated outlays	120	6			
Other:					
Authorization level	4				
Estimated outlays	*	*	1	1	*
Total function 050:					
Authorization level	217,757				
Estimated outlays	100,800	58,841	26,952	11,824	5,873

*Less than 500,000.

TABLE 3.—AUTHORIZATIONS IN FUNCTION 050 IN THE NATIONAL DEFENSE AUTHORIZATION ACT, 1987 AS REPORTED BY THE HOUSE ARMED SERVICES COMMITTEE

[By fiscal year, in millions of dollars]

Category	1987	1988	1989	1990	1991
Endstrengths:					
Estimated authorization level	74,030				
Estimated outlays	71,800	2,221			
3% January military pay raise:					
Estimated authorization level	1,465				

TABLE 3.—AUTHORIZATIONS IN FUNCTION 050 IN THE NATIONAL DEFENSE AUTHORIZATION ACT, 1987 AS REPORTED BY THE HOUSE ARMED SERVICES COMMITTEE—Continued

[By fiscal year, in millions of dollars]

Category	1987	1988	1989	1990	1991
Estimated outlays	1,421	44			
PCS funding cap:					
Estimated authorization level	−594				
Estimated outlays	−576	−18			
50% lump sum SRB:					
Estimated authorization level	−173				
Estimated outlays	−168	−5			
Reserve training:					
Estimated authorization level	−99				
Estimated outlays	−96	−3			
SRB funding cap:					
Estimated authorization level	−50				
Estimated outlays	−49	−2			
Enlistment bonus:					
Estimated authorization level	−5	−14	−28	−28	−28
Estimated outlays	−5	−14	−28	−28	−28
Other 050:					
Estimated authorization level	−36	−48	−48	−49	−50
Estimated outlays	−34	−47	−48	−49	−50
Function 050 total:					
Estimated authorization level	74,539	−61	−77	−78	−79
Estimated outlays	72,303	2,177	−76	−78	−79

Totals may not add due to rounding.

TABLE 4.—ESTIMATED AUTHORIZATIONS OF THE NATIONAL DEFENSE AUTHORIZATION ACT, 1987 AS REPORTED BY THE HOUSE ARMED SERVICES COMMITTEE IN FUNCTIONS OTHER THAN 050

[By fiscal year, in millions of dollars]

Category	1987	1988	1989	1990	1991
Function 400:					
Estimated authorization level	42				
Estimated outlays	41	1			
Function 600:					
Estimated authorization level	23,724				
Estimated outlays	0	1	1	1	2
Function 950:					
Estimated authorization level	−25,800				
Estimated outlays	−25,800				
Total—Functions other than 050:					
Estimated authorization/BA	−2,034				
Estimated outlays	−25,759	2	1	1	2

Section 651 also reduces the amounts authorized for Selective Reenlistment Bonuses (SRB) and enlistment bonuses by $228.4 million in 1987. SRB are limited to a 50 percent lump sum, saving $172.8 million. A cap on new SRB saves an additional $50.2 million. Also, enlistment bonuses are limited to use by the Department of the Army only, and this produces an estimated authorization savings of $5.4 million. Section 651 also reduces the authorization level for appropriations for reserve unit and individual training by $99 million.

This bill contains several other provisions that have a net savings in 1987 of $35.5 million. Provisions modifying travel for temporary duty assignments, by changing to a lodgings plus per diem system, reduce costs by $10.8 million. Elimination of family separation allowances paid to members who elect to serve a tour of duty unaccompanied by dependents, when transportation of dependents is authorized, saves $8.8 million. Other provisions reduce estimated authorizations by $15.9 million.

Functions other than function 050 are affected by provisions in H.R. 4428. The bill authorizes an endstrength of 13,000 for the Coast Guard Reserve; the associated costs fall under budget function 400. (See Table 4.)

Function 600 records the accrual amounts for the military retirement trust fund and various amounts associated with civil service retirement. The military endstrengths authorized in this bill have a retirement accrual cost of $19.7 billion. The employee and employer contributions to civil service retirement add about $4 billion to function 600.

Sections 631 and 632 of the bill make several changes to the Survivor Benefit Plan including increased annuities for disabled children over 62, annuities for dependent children when a retirement-eligible member dies and there is no surviving spouse or the spouse subsequently dies, a reduction in the age at which a widow can remarry without loss of benefits, and a provision for court-ordered survivor annuities for former spouses. These sections will increase net outlays in function 600 by about $5 million through fiscal year 1991.

Finally, receipts in function 950 are affected because this function receives the accrual payments from function 050 associated with military retirement and employer contributions to social security. Function 950 also receives civil service retirement contributions associated with DoD's civilian employees which are also authorized in this bill.

6. Estimated cost to State and local governments: None.
7. Estimate comparison: None.
8. Previous cost estimate: None.
9. Estimate prepared by: Eugene Bryton, Alex G. Manganaris, Michael McCord.
10. Estimate approved by: James L. Blum, Assistant Director for Budget Analysis.

COMMITTEE COST ESTIMATE

The committee concurs generally with the estimate of the Congressional Budget Office, recognizing that the bill provides authorization only and that the bill provides only a ceiling on active duty military personnel strengths. Estimates provided by the Congressional Budget Office assume appropriations will be provided at the maximum level authorized.

INFLATION-IMPACT STATEMENT

Pursuant to clause 2(l)(4) of Rule XI of the Rules of the House of Representatives, the committee attempted to determine the inflationary impact of the bill.

The committee believes no precise method exists to identify a discrete inflationary impact of the present legislation.

Because the bill does not provide, for the most part, specific budget authority but rather authorization for appropriations, the precise inflationary impact would depend on the level of appropriations that the Congress approves pursuant to these authorizations. The committee, therefore, concludes that the bill in and of itself will have no significant inflationary impact.

OVERSIGHT FINDINGS

With reference to clause 2(l)(3)(D) of Rule XI of the Rules of the House of Representatives, the committee has not received a report from the Committee on Government Operations pertaining to this subject matter.

With reference to clause 2(b)(1) of Rule X of the Rules of the House of Representatives, the legislation results from extensive hearings into virtually all aspects of the national defense establishment; and these hearings and legislation, therefore, are a substantial part of the committee's oversight responsibility with regard to national security.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 10, UNITED STATES CODE

Subtitle A—General Military Law

PART I—ORGANIZATION AND GENERAL MILITARY POWERS

Chap.		Sec.
1.	Definitions	101
3.	General Powers	121
4.	Department of defense	131
5.	Joint Chiefs of Staff	141
7.	Boards, Councils, and Committees	171
8.	Defense Agencies	191
[9.	Regular Components. [No present sections]]	
9.	*Obligation of Appropriations*	*211.*
10.	*Regular Components*	[no present sections]
11.	Reserve Components	261
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PART IV—SERVICE, SUPPLY, AND PROCUREMENT

131. Planning and Coordination 2201
133. Facilities for Reserve Components 2231
135. Encouragement of Aviation 2271
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PART I—ORGANIZATION AND GENERAL MILITARY POWERS

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CHAPTER 4—DEPARTMENT OF DEFENSE

Sec.
131. Executive department.

* * * * * * *

134a. Under Secretary of Defense for Acquisition: appointment; powers and duties; precedence.

* * * * * * *

136a. Assistant Secretary of Defense for Operational Test and Evaluation: powers and duties.

* * * * * * *

139d. Major defense acquisition programs: enhanced cost control.

* * * * * * *

§ 134a. Under Secretary of Defense for Acquisition: appointment; *powers and duties; precedence*

(a) There is an Under Secretary of Defense for Acquisition, appointed from civilian life by the President, by and with the advice and consent of the Senate. *The Under Secretary shall be appointed from among persons who have an extensive management background in the private sector.*

[(b) The Under Secretary shall perform such duties and exercise such powers as the Secretary of Defense may prescribe, except as otherwise provided by law.]

(b) Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition—

(1) is responsible for setting overall policy for, and supervises, all acquisition activities of the Department of Defense; and

(2) shall perform such duties and exercise such powers as the Secretary of Defense may prescribe.

(c) The Under Secretary—

(1) is the senior procurement executive for the Department of Defense for the purposes of section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3));

(2) is the Defense Acquisition Executive for purposes of regula-

tions and procedures of the Department providing for a Defense Acquisition Executive; and

(3) to the extent directed by the Secretary, supervises all other officers in the Office of the Secretary of Defense who have acquisition responsibilities.

(d) Supervision of the audit and oversight functions performed by the Defense Contract Audit Agency on the date of the enactment of this section shall be carried out in the same manner as in effect on such date.

(e) The Secretary of Defense shall prescribe the precedence of the Under Secretary in the Department of Defense.

* * * * * * *

§ 136. Assistant Secretaries of Defense: appointment; powers and duties; precedence

(a) There are [eleven] *12* Assistant Secretaries of Defense, appointed from civilian life by the President, by and with the advice and consent of the Senate.

(b)(1) * * *

* * * * * * *

(7) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Operational Test and Evaluation. That Assistant Secretary shall have the functions and shall perform the duties prescribed by section 136a of this title.

* * * * * * *

[§ 136a. Director of Operational Test and Evaluation: appointment; powers and duties]

§ 136a. Assistant Secretary of Defense for Operational Test and Evaluation: powers and duties

(a)(1) [There is a Director of Operational Test and Evaluation in the Department of Defense, Appointed from civilian life by the President, by and with the advice and consent of the Senate. The Director] *The Assistant Secretary of Defense for Operational Test and Evaluation* shall be appointed without regard to policital affiliation and solely on the basis of fitness to perform the duties of the office. [The Director] *The Assistant Secretary* may be removed from office by the President. The President shall communicate the reasons for any such removal to both Houses of Congress.

(2) In this section:

(A) "Operational test and evalaution" means—

[(i) the field test, under realistic combat conditions, of any item of (or key component of) weapons, equipment, or munitions for the purpose of determinging the effectiveness and suitability of the weapons, equipment, or munitions for use in combat by typical military users; and]

(i) the field test under realistic operational conditions of a production representative item of a weapon system, equipment or munition for purposes of assessing and determining the effectiveness and suitability of the weapon system, equipment, or munition for use by typical users, and, if ap-

propriate, additional operational testing including analysis of tactical and doctrinal concepts for and key components of weapon systems, equipment, or munitions; and

*   *   *   *   *   *   *

(b) The [Director] *Assistant Secretary* is the principal adviser to the Secretary of Defense on operational test and evaluation in the Department of Defense and the principal operational test and evaluation official within the senior management of the Department of Defense. The [Director] *Assistant Secretary* shall—

(1) * * *

*   *   *   *   *   *   *

(4) coordinate operational testing conducted jointly by more than one military department or defense agency; *and*

[(5) analyze the results of the operational test and evaluation conducted for each major defense acquisition program and, at the conclusion of such operational test and evaluation, report to the Secretary of Defense and to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives as provided in subsection (c) on—

(A) whether th test and evaluation results confirm that the items or components actually tested are effective and suitable for combat; and]

[(6) *(5)* review and make recommendations to the Secretary of Defense on all budgetary and financial matters relating to operational test and evaluation, including operational test facilities and equipment, in the Department of Defense.

[(c) Each report of the Director required under subsection (b)(5) shall be submitted to the committees specified in that subsection i precisely the same form and with precisely the same content as the report originally was submitted to the Secretary and shall be accompanied by such comments as the Secretary of Defense may wish to make on such report.]

[(d)] (*c*) The [Director] *Assistant Secretary* reports directly, without intervening review or approval, to the Secretary of Defense *personally.* The [Director] *Assistant Secretary* shall consult closely with, but the [Director] *Assistant Secretary* and the Director's staff are independent of, the Under Secretary of Defense for Research and Engineering and all other officers and entities of the Department of Defense responsible for research and development.

[(e)] (*d*)(1) The Secretary of a military department shall report promptly to the [Director] *Assistant Secretary* the results of all operational test and evaluation conducted by the military department and of all studies conducted by the military department in connection with operational test and evaluation in the military department.

(2) The [Director] *Assistant Secretary* may require that such observers as he designates be present during the preparation for and the conduct of the test part of any operational test and evaluation conducted in the Department of Defense.

(3) [Director] *Assistant Secretary* shall have access to all records and data in the Department of Defense (including the records and data of each military department) that the [Director] *Assistant*

Secretary considers necessary to review in order to carry out his section.

[(f)(1) Operational testing of a major defense acquisition program may not be conducted until the Director has approved in writing the adequacy of the plans (including the adequacy of projected levels of funding) for operational test and evaluation to be conducted in connection with that program.

[(2) A final decision within the Department of Defense to proceed with a major defense acquisition program beyond low-rate initial production may not be made until the Director has submitted to the Secretary of Defense the report with respect to that program required by subsection (b)(5) and the Committees on Armed Services and on Appropriations of the Senate and House of Representatives have received that report.]

[(g)] (*e*)(1) The [Director] *Assistant Secretary* shall prepare an annual report summarizing the operational test and evaluation activities of the Department of Defense during the preceding fiscal year. Each such report shall be submitted concurrently to the Secretary of Defense and the Congress not later than [January 15 immediately following the end of the fiscal year for which the report is prepared.] *10 days after the transmission of the budget for the next fiscal year pursuant to section 1105 of title 31.* The report shall include [such comments] *a detailed explanation of the points of agreement and disagreement between the Assistant Secretary and the Secretary of the military department concerned with respect to each evaluation conducted by the Secretary during the preceding fiscal year and such other comments* and recommendations as the [Director] *Assistant Secretary* considers appropriate, including comments and recommendations on resources and facilities available for operational test and evaluation [and], levels of funding made available for operational test and evaluation [activities] *activities, and the resources and personnel assigned to the Director to enable the Director to carry out his duties under this section.* The Secretary may comment on any report of the [Director] *Assistant Secretary* to Congress under this paragraph.

(2) The [Director] *Assistant Secretary* shall comply with requests from Congress (or any committee of either House of Congress) for information relating to operational test and evaluation in the Department of Defense.

[(h)] *(f)* The President shall include in the Budget transmitted to Congress pursuant to section 1105 of title 31, for each fiscal year a separate statement of estimated expenditures and proposed appropriations for the that fiscal year for the activities of [the Director of] *the Assistant Secretary of Defense for* Operational Test and Evaluation in carrying out the duties and responsibilities of the [Director under] *Assistant Secretary under* this section.

(g) The Assistant Secretary shall have a professional staff of not less than 40 military and civilian personnel of the Department of Defense.

[§ 138. Annual authorization of appropriations and personnel strengths for the armed forces; annual manpower requirements and operations and maintenance reports

[(a) No funds may be appropriated for any fiscal year to or for the use of any armed forced or obligated or expended for—

[(1) procurement of aircraft, missiles, or naval vessels;

[(2) any research, development, test, or evaluation, or procurement or production related thereto;

[(3) procurement of tracked combat vehicles;

[(4) procurement of other weapons;

[(5) procurement of naval torpedoes and related support equipment;

[(6) military construction (as defined in subsection (f));

[(7) the operation and maintenance of any armed force or of the activities and agencies of the Department of Defense (other than the military departments);

[(8) procurement of ammunition; or

[(9) other procurement by any armed force or by the activities and agencies of the Department of Defense (other than the military departments);

unless funds therefor have been specifically authorized by law.]

(a) Funds may not be appropriated for any fiscal year for the military functions of the Department of Defense for any of the following purposes unless such funds are specifically authorized by law:

(1) Procurement.

(2) Research, development, test, or evaluation (or acquisition or production related thereto).

(3) Operation and maintenance.

(4) A working-capital fund established under section 2208 of this title.

(5) Military construction (as defined in subsection (f)).

* * * * * * *

§ 138. Annual authorization of appropriations and personnel strengths for the armed forces; annual manpower requirements and operations and maintenance reports

* * * * * * *

(c)(1) * * *

[(2) Congress shall authorize the end strength as of the end of each fiscal year for civilian personnel for each component of the Department of Defense. No funds may be appropriated for any fiscal year to or for the use of the civilian personnel of any component of the Department of Defense unless the end strength for civilian personnel of that component for that fiscal year has been authorized by law.]

[(3)]*(2)*(A) The Secretary of Defense shall submit to Congress a written report, not later than February 15 of each fiscal year, recommending the [annual] active duty end strength level for each component of the armed forces for the next fiscal year and [the annual civilian personnel end strength level] *projecting civilian personnel strength levels* for each component of the Department of Defense for the [next fiscal year, and shall include in that report justification for the strength levels recommended and an explanation of the relationship between the personnel strength levels recommended for that fiscal year] *next fiscal year. The Secretary shall include in that report justification for the strength levels recommended for active duty end strengths and projected for civilian* *personnel and an explanation of the relationship between such strength levels* and the national security policies of the United States in effect at the time. The justification and explanation shall specify in detail for all military forces (including each land force division, carrier and other major combatant vessel, air wing, and other comparable unit) the—

(i) unit mission and capability;

(ii) strategy which the unit supports; and

(iii) area of deployment and illustrative areas of potential deployment, including a description of any United States commitment to defend such areas.

* * * * * * *

[(4)]*(3)* If at the end of any fiscal year there is in effect a war or national emergency, the President may defer the effectiveness of any end-strength limitation with respect to that fiscal year prescribed by law for any military [or civilian] component of the armed forces or of the Department of Defense. Any such deferral may not extend beyond November 30 of the following fiscal year. The President shall promptly notify Congress of any deferral of an end-strength limitation under this paragraph.

[(5)]*(4)* The Secretary of Defense shall use the least costly form of personnel consistent with military requirements and other needs of the Department. In developing the annual personnel authorization requests to Congress and in carrying out personnel policies, the Secretary shall—

(A) consider particularly the advantages of converting from one form of personnel (military, civilian, or private contract) to another for the performance of a specified job; and

(B) include in each manpower requirements report submitted under paragraph (3) a complete justification for converting from one form of personnel to another.

* * * * * * *

(j) In each budget submitted by the President to Congress under section 1105 of title 31, amounts requested for procurement of equipment for the reserve components of the armed forces (including the National Guard) shall be set forth separately from other amounts requested for procurement for the armed forces.

* * * * * * *

§ 139a. Oversight of cost growth in major programs: Selected Acquisition Reports

(a) * * *

* * * * * * *

(c)(1) * * *

* * * * * * *

(3) In addition to the material required by paragraphs (1) and (2), each Selected Acquisition Report for the first quarter of a fiscal year shall include—

(A) a full life-cycle cost analysis for each major defense acquisition program included in the report that—

(i) is in the full-scale engineering development stage or has completed that stage; and

(ii) was first included in a Selected Acquisition Report for a quarter after the first quarter of fiscal year 1985;

(B) if the system that is included in that major defense acquisition program has an antecedent system, a full life-cycle cost analysis for that system; **[and]** *;*

(C) production information for each major defense acquisition program included in the report, including (with respect to each such program)—

(vii) * * *

(I) * * *

(II) total quantities assumed in the maximum production rate specified under clause (iii) and the current production rate specified under clause (iv)**[.]** *; and*

(D) For each major defense acquisition program included in the report, information detailing the use of components manufactured outside the United States, including the dollar value and country of origin of such components.

* * * * * * *

§ 139d. Major defense acquisition programs: enhanced program stability

(a)(1) The Secretary of Defense shall include in a request to Congress for funding for a major defense acquisition program, before full-scale engineering development and before full-rate production, the following:

(A) In the case of the full-scale engineering development stage—

(i) a baseline description of the total program; and

(ii) the total program cost (including the cost of all elements included in the baseline description), which may not exceed the amount of the independent estimate for that program submitted to the Secretary under section 139c of this title.

(B) In the case of the production stage, a revision of the most recent baseline description and of the most recent total program cost.

(2) The Secretary shall include in the baseline description of a program all elements related to the development, production, and initial provisioning of the system to be developed under the program, including—

(A) system performance;

(B) number of end items;

(C) scheduling;

(D) testing;

(E) initial training; and

(F) initial provisioning.

(b) The Secretary of Defense shall designate for each fiscal year not more than three major defense acquisition programs in each military department to be considered for multiyear authorization

under subsection (c). A program may not be designated under this subsection if—

(1) the program is being submitted for approval by Congress to proceed into the full-rate production stage; and

(2) initial operational test and evaluation of the program has not been completed.

(c)(1) If a program designated by the Secretary of Defense under subsection (b) is approved by Congress to proceed into the full-scale engineering development state, or into the full-rate production stage, Congress shall authorize funds for that stage in a single amount sufficient to carry out that stage, but not for a period in excess of five years.

(2) The Secretary concerned may not begin full-scale engineering development, or full-rate production, for such a program until Congress authorizes funds for that stage in an amount sufficient to carry out that stage.

(d)(1) If, in carrying out a full-scale engineering development or full-rate production for which Congress has authorized funds, the Secretary concerned determines that there is a significant adverse program deviation—

(A) the Secretary concerned shall notify Congress in writing of that determination and of the significant adverse program deviation before the end of the 10-day period beginning on the date that the determination is made; and

(B) except as provided in paragraph (2), funds appropriated for that program may not be obligated on or after the date of that determination.

(2) The prohibition in paragraph (1)(B) on the obligation of funds for a major defense acquisition program shall cease to apply at the end of the 45-day period beginning on the date on which the Secretary concerned submits the report required under paragraph (1)(A), except that the Secretary may not obligate funds appropriated for the fiscal year following the fiscal year in which the deviation occurred unless such funds are authorized by law.

(3) In this subsection, the term "significant adverse program deviation", which respect to a program, means—

(A) an adverse change in the capability of the system being acquired under the program that results in a capability for the system that does not meet the thresholds specified in the current baseline description for the program;

(B) an increase in the current total program cost, in constant year dollars, above the total program cost associated with that baseline description; or

(C) a delay in program schedule beyond the threshold specified in the current baseline description.

(e)(1) After Congress authorizes funds for full-scale engineering development, or for full-rate production, for a program under this section, the Secretary of Defense or the Secretary concerned may (except as provided in subsection (d)) change the current baseline description with respect to the program and the total program cost associated with that baseline description.

(2) The Secretary of Defense or the Secretary concerned shall notify the Committees on Armed Services of the Senate and House

of Representatives of a change under paragraph (1) not later than 10 days after the date on which the change is made.

(3) Except for a change required by mandatory safety concerns, authority under paragraph (1) may only be delegated—

(A) in the case of the Secretary of Defense, to the Deputy Secretary of Defense or to the Under Secretary of Defense for Acquisition; and

(B) in the case of a Secretary of a military department, to the Under Secretary (or to any other official designated by the Secretary concerned as the Service Acquisition Executive of that military department).

(f) The Secretary is not required to report under section 139a of this title on any program that is designated under subsection (b).

(g) In this section, the term "major defense acquisition program" has the meaning given that term in section 139(a)(1) of this title.

* * * * * * *

§ 140b. Prohibition of certain civilian personnel management constraints

(a) The civilian personnel of the Department of Defense shall be managed each fiscal year solely on the basis of and consistent with (1) the workload required to carry out the functions and activities of the department, *and* (2) the funds made available to the department for such fiscal year**[**, and (3) the authorized end strength for the civilian personnel of the department for such fiscal year**]**. The management of such personnel in any fiscal year shall not be subject to any man-year constraint or limitation**[**.**]** *or any constraint or limitation (known as an "end-strength") on the number of such personnel who may be employed on the last day of such fiscal year.*

(b) The number of, and the amount of funds available to be paid to, indirectly funded Government employees of the Department of Defense may not be—

(1) subject to any constraint or limitation on the number of such personnel who may be employed on the last day of a fiscal year;

(2) managed on the basis of any end-strength; or

(3) controlled under any policy of the Secretary of a military department for control of civilian manpower resources.

(c) In this section, the term "indirectly funded Government employees" means civilian employees of the Department of Defense—

(1) who are employed by industrial-type activities or commercial-type activities described in section 2208 of this title; and

(2) whose salaries and benefits are funded from sources other than appropriated funds.

* * * * * * *

CHAPTER 7—BOARDS, COUNCILS, AND COMMITTEES

Sec.
171. Armed Forces Policy Council.
172. Ammunition storage board.
173. Advisory personnel.
174. Advisory personnel: research and development.
175. Reserve Forces Policy Board.

176. Armed Forces Institute of Pathology.
177. American Registry of Pathology.
178. Henry M. Jackson Foundation for the Advancement of Military Medicine.

§ 171. Armed Forces Policy Council

(a) There is in the Department of Defense an Armed Forces Policy Council consisting of—

(1) the Secretary of Defense, as Chairman, with the power of decision;

(2) the Deputy Secretary of Defense;

(3) the Under Secretary of Defense for Acquisition;

[(3)**]** *(4) the Secretary of the Army;*

[(4)**]** *(5) the Secretary of the Navy;*

[(5)**]** *(6) the Secretary of the Air Force;*

[(6)**]** *(7) the Under Secretary of Defense; the Under Secretary of Defense for Policy and the Director of Defense Research and Engineering*

[(7)**]** *(8) the Chairman of the Joint Chiefs of Staff;*

[(8)**]** *(9) the Chief of Staff of the Army;*

[(9)**]** *(10) the Chief of Naval Operations;*

[(10)**]** *(11) the Chief of Staff of the Air Force; and*

[(11)**]** *(12) the Commandant of the Marine Corps.*

* * * * * * *

CHAPTER 8—DEFENSE AGENCIES

Sec.

191. National Special Operations Agency.
[191.**]** *192.* Unauthorized use of Defense Intelligence Agency name, initials, or seal.

§ 191. National Special Operations Agency

(a) Establishment.—There is hereby established in the Department of Defense the National Special Operations Agency (hereinafter in this section referred to as the "Agency"). The head of the Agency shall be a Director, who shall be appointed by the President, by and with the advice and consent of the Senate. The Director may not be an officer of the armed forces on the active-duty list.

(2) The Director reports directly to the Secretary of Defense and has rank in the Department of Defense equivalent to that of an Assistant Secretary of Defense. The Director is the principal adviser to the Secretary of Defense and the Chairman of the Joint Chiefs of Staff for all matters pertaining to special operations forces and activities.

(b) Authority of Director.—Subject to the authority, direction, and control of the President and the Secretary of Defense, the Director—

(1) shall exercise command and operational control of all special operations forces (including reserve component forces) of the Department of Defense (other than those forces assigned or allocated to a unified combatant command); and

(2) shall be responsible for—

(A) all training, exercises, plans, and doctrine of the Department of Defense relating to special operations, includ-

ing professional military education and preparation for joint staff assignments; and

(B) all special operations activities (including special operations missions) assigned to elements of the Department of Defense by the President or Secretary of Defense.

(c) DEPUTY DIRECTORS.—There shall be not less than three Deputy Directors of the Agency. The Deputy Directors shall include—

(A) A Deputy Director for Policy, who shall be a civilian;

(B) a Deputy Director for Programs, who may be a civilian or an officer on the active-duty list; and

(C) a Deputy Director for Operations, who shall be an officer on the active-duty list and who shall serve in such position in a grade above major general or rear admiral, if appointed to such grade by the President for service in such position under section 601 of this title.

(2) Deputy Directors shall be selected by the Director, except that officers on the active-duty list shall be selected by the Director in accordance with procedures approved by the Secretary of Defense.

(d) ASSIGNED FORCES.—(1) Notwithstanding any other provision of law, the Secretary of Defense shall provide that all special operations forces shall be assigned to the Agency. The Secretary may assign or allocate such forces from the Agency to a combatant command.

(2) Forces assigned to the Agency shall be organized as the Joint Special Operations Command. The Deputy Director for Operations of the Agency shall be the commander of the Joint Special Operations Command.

(e) THEATER SPECIAL OPERATIONS FORCES.—(1) The Director shall assign to each unified combatant command an officer to serve as the theater special operations commander. Such officer shall also be the liaison of the Agency to the commander of the command. The theater special operations commander assigned to a unified combatant command is under the command of the commander of that command, and the assignment of an officer to a position as theater special operations commander is subject to the approval of the commander of the command.

(2) The commander of a unified combatant command exercises command and operational control of special operations forces assigned or allocated to that command. Except in the case of elements of the Navy assigned to fleet operations, such operational control shall be exercised through the theater special operations commander.

(f) BUDGET MATTERS.—(1) The Secretary of Defense shall provide that the budget justification documents of the Department of Defense for any fiscal year shall be prepared so that the presentation of major force programs in those documents sets out funding for all activities and elements of the Agency as a separate major force program category.

(2) The responsibility for preparation, justification, and execution of budgets for the Agency shall be vested solely in the Director. The Director shall carry out such functions in accordance with guidance furnished by the Secretary of Defense and, in carrying out such functions, shall consider the views and recommendations of the commanders of the combatant commands.

(g) Personnel.—The Director shall have the authority to select, train, and assign military and civilian personnel of the Agency (including the personnel of forces assigned to the Agency).

(h) Unauthorized Activities.—This section does not constitute authority to conduct any activity which, if carried out as an intelligence activity by the Department of Defense, would require—

(1) a finding under section 662 of the Foreign Assistance Act of 1961 (22 U.S.C. 2422); or

(2) a notice to the intelligence committees under section 501(a)(1) of the National Security Act of 1947 (50 U.S.C. 413).

(i) Regulations.—The Secretary of Defense shall prescribe regulations for the activities of the Agency. Those regulations shall include provisions authorizing the Director to provide for operational security of special operations forces and activities. The regulations may not authorize the Agency to engage in clandestine foreign intelligence collection or (except in time of war) in covert action activities.

(j) Special Operations Forces Defined.—(1) Except as provided in paragraph (2), the term "special operations forces", for the purposes of this section, means those forces of the armed forces that—

(A) are identified as core forces or as augmenting forces in the Joint Chiefs of Staff Joint Strategic Capabilities Plan, Annex E, dated December 17, 1985;

(B) are described in the Terms of Reference and Conceptual Operations Plan for the Joint Special Operations Command, as in effect on April 1, 1986; or

(C) are designated as special operations forces by the Secretary of Defense.

(2) Subject to paragraph (3), the term "special operations forces" does not include forces identified, described, or designated under paragraph (1) that the Director (in conjunction with the Chairman of the Joint Chiefs of Staff) determines—

(A) are augmenting forces (rather than core forces); and

(B) are not necessary to the performance of nonpriority special operations activities.

(3) When required by the Director, forces described in paragraph (2)—

(A) shall immediately be assigned or otherwise made available to the Director; and

(B) shall be considered to be special operations forces for the purposes of this section.

The Secretary of Defense shall ensure that this paragraph is implemented so as to give the Director clear and unambiguous authority under the preceding sentence.

(k) Special Operations Activities Defined.—In this section, the term "special operations activities" includes each of the following insofar as it relates to special operations:

(1) Direct action.

(2) Strategic reconnaissance.

(3) Unconventional warfare.

(4) Foreign internal defense.

(5) Civil affairs.

(6) Psychological operations.

(7) Counterterrorism.

(8) Drug interdiction (including coordination with other Government agencies).

(9) Humanitarian assistance.

(10) Theater search and rescue.

(11) Such other matters as may be specified by the President or Secretary of Defense.

§ [191.] *192.* Unauthorized use of Defense Intelligence Agency name, initials, or seal

(a) No person may, except with the written permission of the Secretary of Defense, knowingly use the words "Defense Intelligence Agency", the initials "DIA", the seal of the Defense Intelligence Agency, or any colorable imitation of such words, initials or seal in connection with any merchandise, impersonation, solicitation, or commercial activity in a manner reasonably calculated to convey the impression that such use is approved, endorsed, or authorized by the Secretary of Defense.

(b) Whenever it appears to the Attorney General that any person is engaged or is about to engage in an act or practice which constitutes or will constitute conduct prohibited by subsection (a), the Attorney General may initiate a civil proceeding in a district court of the United States to enjoin such act or practice. Such court shall proceed as soon as practicable to the hearing and determination of such action, and may, at any time before final determination, enter such restraining orders or prohibitions, or take such other actions as is warranted, to prevent injury to the United States or to any person or class of persons for whose protection the action is brought.

[CHAPTER 9] *CHAPTER 10* REGULAR COMPONENTS

[No present sections]

CHAPTER 9—OBLIGATION OF APPROPRIATIONS

Sec.
211. Unauthorized defense appropriations: limitation on obligation; definition.
212. Appropriated amounts available for obligation: limitation with respect to unauthorized programs, projects, and activities.
213. Contingent general countinuing authorization for Department of Defense operations.
214. Exclusion of permanent appropriations and trust funds.
215. Unathorized defense appropriations: waiver of Impoundment Control Act.
216. Exemption of National Security Act of 1947.
217. Rule of construction.
218. Definition: defense appropriation.

§211. Unauthorized defense appropriations: limitation on obligation; definition

(a) Limitation on Obligations.—An unauthorized defense appropriation may not be obligated—

(1) except as provided in section 213(b) of this title; or

(2) unless (and only to the extent that) the obligation of such appropriation is specifically authorized by law after the enactment of such appropriation.

(b) Specification of Unauthorized Appropriations.—A defense appropriation is unauthorized to the extent it is made without

having been authorized by law as required by section 138(a) of this title.

§212. Appropriated amounts available for obligation: limitation with respect to unauthorized programs, projects, and activities

(a) REDUCTION IN AMOUNTS AVAILABLE FOR OBLIGATION ATTRIBUTABLE TO UNAUTHORIZED PROGRAMS, PROJECTS, AND ACTIVITIES.—(1) Of any amount appropriated to the Department of Defense in an appropriation Act, the amount that may be obligated or expended is the amount appropriated reduced by any amount determined with respect to that appropriation under paragraph (2)(B).

(2) After the enactment of a law making a defense appropriation, the Secretary of Defense shall determine, with respect to each defense appropriation provided in such law—

(A) whether any part of such appropriation provides funds for an unauthorized program, project, or activity (as defined in subsection (c)); and

(B) if there are funds provided as part of any such appropriation for an unauthorized program, project, or activity, the total amount of funds provided under such appropriation for all such unauthorized programs, projects, and activities.

(3) A determination under paragraph (2) shall be made with respect to a defense appropriation for a fiscal year immediately after enactment of the law making that appropriation. However, if as of the enactment of such law there has not been enacted a law specifically authorizing appropriations for that fiscal year for the purposes named in section 138(a) of this title, such determination shall be made immediately after enactment of such an authorization law.

(4) Not later than 30 days after the enactment of such an appropriation or authorization law (whichever is applicable), the Secretary shall submit to Congress a report identifying—

(A) any unauthorized program, project, or activity; and

(B) any amount determined under paragraph (2)(B).

(b) COMPTROLLER GENERAL REVIEW AND REPORT.—(1) The Comptroller General shall promptly review each report of the Secretary under subsection (a). The Comptroller General shall submit a report to Congress if the Comptroller General determines—

(A) that the law with respect to which the Secretary submitted a report provides appropriations for an unauthorized program, project, or activity in addition to those identified in the report of the Secretary; or

(B) that a program, project, or activity identified in that report as an unauthorized program, project, or activity is not unauthorized.

(2) A report under paragraph (1)—

(A) shall identify those defense appropriations, and programs, projects, and activities under appropriations, with respect to which the Comptroller General made determinations under subparagraphs (A) and (B), respectively, of such paragraph; and

(B) shall include such comments and recommendations as the Comptroller General considers appropriate.

(3) Such a report shall be submitted not later than 30 days after the date on which the report of the Secretary under subsection (a) is received by Congress.

(c) UNAUTHORIZED PROGRAM, PROJECT, OR ACTIVITY DEFINED.—In this section, the term "unauthorized program, project, or activity" means a program, project, or activity of the Department of Defense for which an amount is provided under a defense appropriation (whether or not specified in the appropriation Act concerned) in an amount greater than the amount authorized by law to be appropriated for such program, project, or activity (whether or not such authorized amount is specified by law), determined by taking into consideration statutory language, legislative history, and budget documents submitted to Congress by the Department of Defense.

§ 213. Contingent general continuing authorization for Department of Defense operations

(a) GENERAL RULE.—If as of the first day of a fiscal year there has not been enacted a law specifically authorizing appropriations for that fiscal year for a purpose named in section 138(a) of this title, then funds appropriated or otherwise made available for that fiscal year and for that purpose may not be obligated except as provided in subsections (b) and (c).

(b) RATE AT WHICH OPERATING FUNDS MAY BE OBLIGATED UNDER GENERAL CONTINUING AUTHORITY.—(1) Funds described in subsection (a) that are appropriated or otherwise made available for a purpose named in paragraph (2) may be obligated at the rate which is the least of the following:

(A) The rate at which those funds may be obligated as provided under the law appropriating those funds.

(B) The rate at which funds could be obligated for that purpos for the previous fiscal year.

(C) The rate at which funds could be obligated if appropriated as requested for that purpose in the President's Budget for the fiscal year concerned.

(2) Paragraph (1) applies with respect to funds appropriated for any of the following purposes:

(A) Civilian pay.

(B) Operation and maintenance activities.

(C) Continuing research, development, test, and evaluation activities.

(c) RULE UPON SUBSEQUENT ENACTMENT OF AN AUTHORIZATION.—If subsection (a) is applicable to funds appropriated or otherwise made available for a fiscal year for a purpose described in section 138(a) of this title, then upon the enactment of a law specifically authorizing appropriations for that fiscal year for such purpose—

(1) this section shall cease to apply with respect to those funds; and

(2) such funds may be obligated subject to section 211 of this title.

§ 214. Exclusion of permanent appropriations and trust funds

The provisions of this chapter do not apply to, or affect in any manner, permanent appropriations, trust funds, and other similar accounts administered by the Department of Defense as authorized by law.

§ 215. Unauthorized defense appropriations: waiver of Impoundment Control Act

The provisions of the Impoundment Control Act of 1974 (2 U.S.C. 681 et seq.) do not apply to an unauthorized defense appropriation.

§ 216. Exemption of National Security Act of 1947

Nothing in this chapter shall be considered to affect the application of section 502 of the National Security Act of 1947 (50 U.S.C. App. 413).

§ 217. Rule of construction

A provision of law does not supersede this chapter unless it does so by specifically referring to this section and stating that it supersedes this chapter.

§ 218. Definition: defense appropriation

In this chapter, the term "defense appropriation" means an amount appropriated or otherwise made available by Congress in an appropriation law for one of the purposes stated in section 138(a) of this title.

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PART II—PERSONNEL

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CHAPTER 39—ACTIVE DUTY

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§ 671. Members not to be assigned outside United States before completing training

No member of an armed force may be assigned to active duty on land outside the United States and its Territories and possessions, [until he has had twelve weeks of basic training or its equivalent] *until the member has completed basic training or its equivalent.*

* * * * * * *

§ 673b. Selected Reserve; order to active duty other than during war or national emergency

(a) * * *

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(c) Not more than [100,000] *200,000* members of the Selected Reserve may be on active duty under this section at any one time.

* * * * * * *

CHAPTER 45—THE UNIFORM

Sec.
771. Unauthorized wearing prohibited.
771a. Disposition on discharge.
772. When wearing by persons not on active duty authorized.
773. When distinctive insignia required.

774. Religious apparel: wearing while in uniform.
[774. Applicability of chapter.]
775. Applicability of chapter.

* * * * * * *

§ 774. Religious apparel: wearing while in uniform

(a) General Rule.—Except as provided under subsection (b), a member of the armed forces may wear an item of religious apparel while wearing the uniform of the member's armed force.

(b) Exceptions.—The Secretary concerned may prohibit the wearing of an item of religious apparel—

(1) in circumstances with respect to which the Secretary determines that the wearing of the item would interfere with the performance of the member's military duties; or

(2) if the Secretary determines, under regulations under subsection (c), that the item of apparel is not neat and conservative.

(c) Regulations.—The Secretary concerned shall prescribe regulations concerning the wearing of religious apparel by members of the armed forces under the Secretary's jurisdiction while the members are wearing the uniform. Such regulations shall be consistent with subsections (a) and (b).

(d) Religious Apparel Defined.—In this section, the term "religious apparel" means apparel the wearing of which is part of the observance of the religious faith practiced by the member.

§ [774.] *775.* Applicability of chapter

[This chapter applies in the United States, the Territories, Commonwealths, and possessions, and all other places under its jurisdiction.]

This chapter applies in—

(1) the United States;

(2) the territories, commonwealths, and possessions of the United States; and

(3) all other places under the jurisdiction of the United States.

CHAPTER 47—UNIFORM CODE OF MILITARY JUSTICE

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SUBCHAPTER I—GENERAL PROVISIONS

* * * * * * *

§ 802. Art. 2. Persons subject to this chapter

(a) The following persons are subject to this chapter:

(1) * * *

* * * * * * *

[(3) Members of a reserve component while they are on inactive duty training authorized by written orders which are voluntarily accepted by them and which specify that they are subject to this chapter.]

(3) Members of a reserve component while—

(A) on active duty; or

(B) on inactive-duty training, but in the case of members of the Army National Guard of the United States or the Air National Guard of the United States only when in Federal service.

* * * * * * *

(d)(1) A member of a reserve component who is charged with having committed an offense against this chapter may be called or ordered to active duty involuntarily for the purpose of—

(A) investigation under section 832 of this title (article 32);

(B) trial by court-martial; or

(C) nonjudicial punishment under section 815 of this title (article 15).

(2) A member of a reserve component may not be called or ordered to active duty under paragraph (1) except with respect to an offense committed while the member was—

(A) on active duty; or

(B) on inactive-duty training, but in the case of members of the Army National Guard of the United States or the Air National Guard of the United States only when in Federal service.

(3) Authority to call or order a member to active duty under paragraph (1) shall be exercised under regulations prescribed by the Secretary concerned.

§ 803. Art. 3. Jurisdiction to try certain personnel

(a) * * *

* * * * * * *

(d) A member of a reserve component who is subject to this chapter is not, by virtue of the termination of a period of active duty or inactive-duty training, relieved from amenability to the jurisdiction of this chapter for an offense against this chapter committed during such period of active duty or inactive-duty training.

* * * * * * *

§ 806. Art. 6. Judge advocates and legal officers

(a) The assignment for duty of judge advocates of the Army, Navy, Air Force, and Coast Guard shall be made upon the recommendation of the Judge Advocate General of the armed force of which they are members. The assignment for duty of judge advocates of the Marine Corps shall be made by direction of the Commandant of the Marine Corps. *A judge advocate who is assigned or detailed to perform the functions of a civil office in the Government of the United States under section 973(b)(2)(B) of this title may perform such duties as may be requested by the agency concerned, including representation of the United States in civil and criminal cases.* The Judge Advocate General or senior members of his staff shall make frequent inspections in the field in supervision of the administration of military justice.

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SUBCHAPTER V—COMPOSITION OF COURTS-MARTIAL

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§ 825. Art. 25. Who may serve on courts-martial

(a) * * *

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(c)(1) Any enlisted member of an armed force on active duty who is not a member of the same unit as the accused is eligible to serve on general and special courts-martial for the trial of any enlisted member of an armed force who may lawfully be brought before such courts for trial, but he shall serve as a member of a court only if, before the conclusion of a session called by the military judge under section 839(a) of this title (article 39(a)) prior to trial or, in the absence of such a session, before the court is assembled for the trial of the accused, the accused personally has requested *orally on the record or* in writing that enlisted members serve on it. After such a request, the accused may not be tried by a general or special court-martial the membership of which does not include enlisted members in a number comprising at least, one-third of the total membership of the court, unless eligible enlisted members cannot be obtained on account of physical conditions or military exigencies. If such members cannot be obtained, the court may be assembled and the trial held without them, but the convening authority shall make a detailed written statement, to be appended to the record, stating why they could not be obtained.

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SUBCHAPTER VII—TRIAL PROCEDURE

Sec.	Art.
836.	36. President may prescribe rules.

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850.	50. Admissibility of records of courts of inquiry.
850a.	*50a. Defense of lack of mental responsibility.*

* * * * * * *

§ 843. Art. 43. Statute of limitations

[(a) A person charged with desertion or absence without leave in time of war, or with aiding the enemy, mutiny, or murder, may be tried and punished at any time without limitation.

[(b) Except as otherwise provided in this article, a person charged with desertion in time of peace or any of the offenses punishable under sections 919–932 of this title (articles 119–132) is not liable to be tried by court-martial if the offense was committed more than three years before the receipt of sworn charges and specifications by an officer exercising summary court-martial jurisdiction over the command.

[(c) Except as otherwise provided in this article, a person charged with any offense is not liable to be tried by court-martial or punished under section 815 of this title (article 15) if the offense was committed more than two years before the receipt of sworn charges and specifications by an officer exercising summary court-

martial jurisdiction over the command or before the imposition of punishment under section 815 of this title (article 15).]

(a) A person charged with absence without leave or missing movement in time of war, or with any offense punishable by death, may be tried and punished at any time without limitation.

(b)(1) Except as otherwise provided in this section (article), a person charged with an offense is not liable to be tried by court-martial if the offense was committed more than five years before the receipt of sworn changes and specifications by an officer exercising summary court-martial jurisdiction over the command.

(2) A person charged with an offense is not liable to be punished under section 815 of this title (article 15) if the offense was committed more than two years before the imposition of punishment.

(c) Periods in which the accused is absent without authority or fleeing from justice shall be excluded in computing the period of limitation prescribed in this section (article).

* * * * * * *

(g) If charges or specifications are dismissed as defective or insufficient for any cause and the period prescribed by the applicable statute of limitations—

(1) has expired; or

(2) will expire within six calendar months of the date of dismissal of the charges and specifications,

trial and punishment under new charges and specifications are not barred by a statute of limitations if the new charges and specifications are received by an officer exercising summary court-martial jurisdiction over the command within six calendar months of the dismissal of the charges or specifications.

* * * * * * *

§ 850a. Art. 50a. Defense of lack of mental responsibility

(a) It is an affirmative defense in a trial by court-martial that, at the time of the commission of the acts constituting the offense, the accused, as a result of a severe mental disease or defect, was unable to appreciate the nature and quality or the wrongfulness of the acts. Mental disease or defect does not otherwise constitute a defense.

(b) The accused has the burden of proving the defense of lack of mental responsibility by clear and convincing evidence.

(c) Notwithstanding the provisions of section 852 of this title (article 52), the accused may be found not guilty under this section only if—

(1) a majority of the members of the court-martial present at the time the vote is taken determines that the defense lack of mental responsibility has been established; or

(2) in the case of a court-martial composed of a military judge only, the military judge determines that the defense of lack of mental responsibility has been established.

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SUBCHAPTER IX—POST-TRIAL PROCEDURE AND REVIEW OF COURTS-MARTIAL

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§ 860. Art. 60. Action by the convening authority

(a) * * *

(b)[(1) Within 30 days after the sentence of a general court-martial or of a special court-martial which has adjudged a bad-conduct discharge has been announced, the accused may submit to the convening authority matters for consideration by the convening authority with respect to the findings and the sentence. In the case of all other special courts-martial, the accused may make such a submission to the convening authority within 20 days after the sentence is announced. In the case of all summary courts-martial the accused may make such a submission to the convening authority within 7 days after the sentence is announced. If the accused shows that additional time is required for the accused to submit such matters, the convening authority or other person taking action under this section, for good cause, may extend the period—

[(A) in the case of a general court-martial or a special court-martial which has adjudged a bad-conduct discharge; for not more than an additional 20 days; and

[(B) in the case of all other courts-martial, for not more than an additional 10 days.]

(1) The accused may submit to the convening authority matters for consideration by the convening authority with respect to the findings and the sentence. Except in a summary court-martial case, such a submission shall be made within 10 days after the accused has been given an authenticated record of trial and, if applicable, the recommendation of the staff judge advocate or legal officer under subsection (d). In a summary court-martial case, such a submission shall be made within seven days after the sentence is announced.

(2) If the accused shows that additional time is required for the accused to summit such matters, the convening authority or other person taking action under this section, for good cause, may extend the applicable period under paragraph (1) for not more than an additional 20 days.

[(2)]*(3)* In a summary court-martial case, the accused shall be promptly provided a copy of the record of trial for use in preparing a submission authorized by paragraph (1).

[(3) In no event shall the accused in any general or special court-martial case have less than a 7-day period after the day on which a copy of the authenticated record of trial has been given to him within which to make a submission under paragraph (1). The convening authority or other person taking action on the case, for good cause, may extend this period for up to an additional 10 days.]

* * * * * * *

(c)(1) The authority under this section to modify the findings and sentence of a court-martial is a matter of command prerogative involving the sole discretion of the convening authority. Under regulations of the Secretary concerning, a commissioned officer commanding for the time being, a successor in command, or any person exercising general court-martial jurisdiction may act under this section in place of the convening authority.

(2) Action on the sentence of a court-martial shall be taken by the convening authority or by another person authorized to act under this section. Subject to regulations of the Secretary concerned, such actions may be taken only after consideration of any matters submitted by the accused under subsection (b) [and, if applicable, under subsection (d),] or after the time for submitting such matters expires, whichever is earlier. The convening authority or other person taking such action, in his sole discretion, may approve, disapprove, commute, or suspend the sentence in whole or in part.

* * * * * * *

(d) Before acting under this section on any general court-martial case or any special court-martial case that includes a bad-conduct discharge, the convening authority or other person taking action under this section shall obtain and consider the written recommendation of his staff judge advocate or legal officer. The convening authority or other person taking action under this section shall refer the record of trial to his staff judge advocate or legal officer, and the staff judge advocate or legal officer shall use such record in the preparation of this recommendation. The recommendation of the staff judge advocate or legal officer shall include such matters as the President may prescribe by regulation and shall be served on the accused, [who shall have five days from the date of receipt in which to submit any matter in response. The convening authority or other person taking action under this section, for good cause, may extend that period for up to an additional 20 days] *who may submit any matter in response under subsection (b).* Failure to object in the response to the recommendation or to any matter attached to the recommendation waives the right to object thereto.

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SUBCHAPTER XI—MISCELLANEOUS PROVISIONS

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§ 936. Art. 136. Authority to administer oaths and to act as notary

(a) The following persons on active duty *or performing inactive-duty training* may administer oaths for the purposes of military administration, including military justice, and have the general powers of a notary public and of a consul of the United States, in the performance of all notarial acts to be executed by members of any of the armed forces, wherever they may be, by persons serving with, employed by, or accompanying the armed forces outside the United States and outside the Canal Zone, Puerto Rico, Guam, and the Virgin Islands, and by other persons subject to this chapter outside of the United States:

(1) All judges advocates.

* * * * * * *

(b) The following persons on active duty *or performing inactive-duty training* may administer oaths necessary in the performance of their duties:

(1) The president, military judge, trial counsel, and assistant trial counsel for all general and special courts-martial.

* * * * * * *

§ 937. Art. 137. Articles to be explained

[Sections 802, 803, 807-815, 825, 827, 831, 837, 838, 855, 877-934, and 937-939 (articles 2, 3, 7-15, 25, 27, 31, 37, 38, 55, 77-134, and 137-139) of this chapter shall be carefully explained to each enlisted member at the time of his entrance on active duty, or within six days thereafter. They shall be explained again after he has completed six months of active duty, and again at the time when he reenlists. A complete text of the Uniform Code of Military Justice and of the regulations prescribed by the President thereunder shall be made available to any person on active duty, upon his request, for his personal examination.]

(a)(1) The sections of this title (articles of the Uniform Code of Military Justice) specified in paragraph (3) shall be carefully explained to each enlisted member at the time of (or within six days after)—

(A) the member's initial entrance on active duty; or

(B) the member's initial entrance into a duty status with a reserve component.

(2) Such sections (articles) shall be explained again—

(A) after the member has completed six months of active duty or, in the case of a member of a reserve component, after the member has completed basic or recruit training; and

(B) at the time when the member reenlists.

(3) This subsection applies with respect to sections 802, 803, 807-815, 825, 827, 831, 837, 838, 855, 877-934, and 937-939 of this title (articles 2, 3, 7-15, 25, 27, 31, 37, 38, 55, 77-134, and 137-139).

(b) The text of the Uniform Code of Military Justice and of the regulations prescribed by the President under such Code shall be made available to a member on active duty or to a member of a reserve component, upon request by the member, for the member's personal examination.

* * * * * * *

CHAPTER 49—MISCELLANEOUS PROHIBITIONS AND PENALTIES

Sec.
971. Service credit: officers may not count enlisted service performed while serving as cadet or midshipman.

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982. Members: service on State and local juries.

* * * * * * *

§ 976. Membership in military unions, organizing of military unions, and recognition of military unions prohibited

(a) In this section:

(1) "Member of the armed forces" means (A) a member of the armed forces who is serving on active duty,**[**,**]** (B) a member of a the National Guard who is serving on full-time National Guard duty, or (C) a member of a Reserve component while performing inactive-duty training.

* * * * * * *

§ 982. Members: service on State and local juries

(a) A member of the armed forces on active duty may not be required to serve on a State or local jury if the Secretary concerned determines that such service—

(1) would unreasonably interfere with the performance of the member's military duties; or

(2) would adversely affect the readiness of the unit, command, or activity to which the member is assigned.

(b) A determination by the Secretary concerned under this section is conclusive.

(c) The Secretary concerned shall prescribe regulations for the administration of this section.

(d) In this section, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and each territory of the United States.

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CHAPTER 53—MISCELLANEOUS RIGHTS AND BENEFITS

Sec.
1031. Administration of oath.
[1032. Repealed.]
1033. Compensation: Reserve on active duty accepting from any person.
[1434. Communicating with a Member of Congress.]
1034. Communicating with a Member of Congress or Inspector General.
1035. Deposits of savings.
1036. Escorts for dependents of members: transportation and travel allowances.
1037. Counsel before foreign judicial tribunals and administrative agencies; court costs and bail.
1038. Service credit: certain service in Women's Army Auxiliary Corps.
1039. Crediting of minority service.
1040. Transportation of dependent patients.
1041. Replacement of certificate of discharge.
1042. Copy of certificate of service.
1043. Service credit: service in the National Oceanic and Atmospheric Administration or the Public Health Service.
1044. Legal assistance.
1045. Voluntary withholding of State income tax from retired or retainer pay.
1046. Preseparation counseling requirement.
1047. Allowance for civilian clothing.
1048. Gratuity payment to persons discharged for fraudulent enlistment.
1049. Subsistence: miscellaneous persons.
1050. Latin American cooperation: payment of personnel expenses.

* * * * * * *

[§ 1034. Communicating with a Member of Congress

No person may restrict any member of an armed force in communicating with a Member of Congress, unless the communication is unlawful or violates a regulation necessary to the security of the United States.]

§ 1034. Communicating with a Member of Congress or Inspector General

(a) Restricting Communications With Members of Congress and Inspectors General Prohibited.—

(1) General rule.—No person may restrict a member of an armed force in communicating with a member of Congress or an Inspector General.

(2) Exceptions.—Paragraph (1) does not apply to a communication that—

(A) is unlawful; or

(B) violates a regulation necessary to the security of the United States.

(b) Prohibition of Retaliatory Personnel Actions.—No person may take (or threaten to take) an unfavorable personnel action, or withhold (or threaten to withhold) a favorable personnel action, as a reprisal against a member of an armed force for making or preparing a communication to a Member of Congress or an Inspector General that (under subsection (a)) may not be restricted.

(c) Inspector General Investigation.—

(1) Investigation of certain allegations.—The Inspector General of the Department of Defense shall expeditiously investigate an allegation by a member of the armed forces that a reprisal prohibited by subsection (b) has been taken (or threatened) against the member with respect to a communication to a Member of Congress or an Inspector General making a complaint or disclosing information that the member of the armed forces reasonably believes evidences—

(A) a violation of a law, rule, or regulation; or

(B) mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

(2) Time for allegation.—The Inspector General is not required to make an investigation under paragraph (1) in the case of an allegation made more than 90 days after the reprisal (or threatened reprisal) that is the subject of the allegation.

(3) Investigation of subject matter of disclosure.—If the Inspector General has not already done so, the Inspector General shall commence a separate investigation of the information that the member believes evidences wrongdoing as described in subparagraph (A) or (B) of paragraph (1).

(4) Report.—Not later than 10 days after completion of an investigation under this subsection, the Inspector General shall submit a report on the results of the investigation to the Secretary of Defense. The Inspector General shall provide an unclassified copy of that report to the member concerned.

(5) Time for report.—If, in the course of an investigation of an allegation under this section, the Inspector General determines that it is not possible to submit the report required by paragraph (2) within 30 days of the date of receipt of the allegation being investigated, the Inspector General shall provide to the Secretary of Defense and to the member making the allegation a notice—

(A) of that determination (including the reasons why the report may not be submitted within that time); and

(B) of the time when the report will be submitted.

(6) CONTENT OF REPORT.—The report on the results of the investigation shall contain a thorough review of the facts and circumstances relevant to the allegation and the complaint or disclosure and shall include documents acquired during the course of the investigation, including summaries of interviews conducted. If a person agrees to be interviewed only on the condition that the person's identity not be disclosed, the report shall not contain any information about such interview. The report shall contain no findings of disputed fact or recommendations as to the disposition of the complaint.

(7) DELEGATION.—The Inspector General of the Department of Defense may delegate any function, power, or duty of the Inspector General under this subsection to any other Inspector General in the Department of Defense.

(d) CORRECTION OF RECORDS.—

(1) BOARDS FOR CORRECTION OF MILITARY RECORDS.—In resolving an allegation made by a member of an armed force to whom the Inspector General has reported under subsection (c), a correction board acting under section 1552 of this title, on the request of the member or otherwise, may—

(A) direct further investigation;

(B) direct the production of evidence;

(C) direct the examination of witness;

(D) receive oral argument; or

(E) direct or conduct an evidentiary hearing.

(2) LEGAL ASSISTANCE.—A member to whom the Inspector General has reported under subsection (c) is entitled to the assistance of a judge advocate in filing a petition for correction under section 1552 of this title.

(3) BOARD DECISIONS.—The Board shall issue a final decision with respect to the petition within 120 days after the filing of such petition. If the Board fails to issue such a final decision within such time, the member shall be deemed to have exhausted administrative remedies under section 1552 of this title to the extent that such exhaustion may be required in any judicial proceeding concerning the relief sought in the petition for correction. The decision of the Board shall be in writing and shall include findings of fact and a statement of reasons. The Board shall cause its decision to be served on the petitioner by first class mail to the address listed in the petition for correction within 10 days of the date of the decision. A determination by the Board by a preponderance of the evidence that a personnel action adversely affecting a member would not have been taken in the absence of a complaint or disclosure of information described in subsection (c)(1) shall constitute a determination of a prohibited retaliatory personnel action under subsection (b).

(4) CORRECTIVE ACTION.—The Board shall order such action as is necessary to correct the record and the effect of a prohibited retaliatory personnel action.

(5) DISCIPLINARY ACTION.—If the Board determines that a prohibited retaliatory personnel action, as defined in subsection

(b), has occurred, the Board shall refer the record of the matter to the officer exercising general court-martial jurisdiction over the person who committed the prohibited retaliatory personnel action.

(e) REGULATIONS.—The Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to carry out this section. Such regulations shall include regulations for which violations are subject to section 892 of this title (article 92 of the Uniform Code of Military Justice).

§ 1035. Deposits of savings

(a) Under joint regulations prescribed by the Secretaries concerned, a member of the armed [force] *forces* who is on a permanent duty assignment outside the United States or its possessions may deposit during that tour of duty not more than his unallotted current pay and allowances in amounts of $5 or more, with any branch, office, or officer of a uniformed service. Amounts so deposited shall be deposited in the Treasury and kept as a separate fund, and shall be accounted for in the same manner as public funds.

(b) Interest at a rate prescribed by the President, not to exceed 10 percent a year, will accrue on amounts deposited under this section. However, the maximum amount upon which interest may be paid under this subsection to any member is $10,000, except that such limitation shall not apply to deposits made on or after September 1, 1966, in the case of those members in a missing status, as defined in section 551(2) of title 37, during the Vietnam conflict. Interest under this subsection shall terminate 90 days after the member's return to the United States or its possessions. For purposes of this subsection, the Vietnam conflict begins on February 28, 1961, and ends on [the date designated by the President by Executive order as the date of the termination of combatant activities in Vietnam] *May 7, 1975.*

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CHAPTER 55—MEDICAL AND DENTAL CARE

Sec.
1071. Purpose of this chapter.
1072. Definitions.
1073. Administration of this chapter.
1074. Medical and dental care for members and certain former members.
[1074a. Medical and dental care: members on duty other than active duty; injuries, diseases, and illnesses incident to duty.]
1074a. Medical and dental care: members on duty other than active duty for a period of more than 30 days.

* * * * * * *

1096. Contracts for medical care for retirees, dependents, and survivors: alternative delivery of health care.
1097. Military Health Care Account.
1098. Health care enrollment system.
1099. Diagnosis-related groups.

* * * * * * *

[§ 1074a. Medical and dental care: members on duty other than active duty; injuries, diseases and illnesses incident to duty

[(a) Under joint regulations prescribed by the administering Secretaries, the following persons are entitled to the benefits described in subsection (b):

[(1) Each member of a uniformed service who contracts a disease or becomes ill in line of duty while on active duty for a period of 30 days or less, or while traveling to or from that duty.

[(2) Each member of the National Guard who contracts a disease or becomes ill in line of duty while on full-time National Guard duty, or while traveling to or from that duty.

[(3) Each member of a uniformed service who contracts a disease or becomes ill in line of duty while on inactive duty training under circumstances in which it is determined that the disease or illness was contracted or aggravated as an incident of that inactive duty training.

[(4) Each member of a uniformed service who incurs or aggravates an injury while traveling directly to or from the place at which he is to perform, or has performed, inactive duty training, unless the injury is incurred or aggravated as a result of the member's own gross negligence or misconduct.

[(b) A person described in subsection (a) is entitled to—

[(1) the medical and dental care appropriate for the treatment of his injury, disease, or illness until the resulting disability cannot be materially improved by further hospitalization or treatment; and

[(2) subsistence during hospitalization.]

§ 1074a. Medical and dental care: members on duty other than active duty for a period of more than 30 days.

(a) Under joint regulations prescribed by the administering Secretaries, the following persons are entitled to the benefits described in subsection (b):

(1) Each member of a uniformed service who incurs or aggravates an injury, illness, or disease in the line of duty while performing—

(A) active duty for a period of 30 days or less; or

(B) inactive-duty training.

(2) Each member of a uniformed service who incurs or aggravates an injury, illness, or disease while traveling directly to or from the place at which that member is to perform, or has performed—

(A) active duty for a period of 30 days or less; or

(B) inactive-duty training.

(b) A person described in subsection (a) is entitled to—

(1) the medical and dental care appropriate for the treatment of the injury, illness, or disease of that person until the resulting disability cannot be materially improved by further hospitalization or treatment; and

(2) subsistence during hospitalization.

(c) A member is not entitled to benefits under this section if the injury, illness, or disease, or aggravation of an injury, illness, or disease described in subsection (a)(2) or (a)(3)(B) is the result of the gross negligence or misconduct of the members.

* * * * * * *

§ 1076. Medical and dental care for dependents: general rule

(a)(1) A dependent described in paragraph (2) is entitled, upon request, to the medical and dental care prescribed by section 1077 of this title in facilities of the uniformed services, subject to the availability of space and facilities and the capabilities of the medical and dental staff.

(2) A dependent referred to in paragraph (1) is a dependent of a member of a uniformed service—

(A) who is on active duty for a period of more than 30 days or who died while on that duty; or

(B) who died from an injury [or illness], *illness, or disease* incurred or aggravated—

(i) while on active duty under a call or order to achieve duty of 30 days or less, on active duty for training, or on inactive duty training; or

(ii) while traveling to or from the place at which the member is to perform, or has performed, such active duty, active duty for training, or inactive duty training.

* * * * * * *

§ 1079. Contracts for medical care for spouses and children:

(a) * * *

(1) * * *

* * * * * * *

(7) services in connection with nonemergency inpatient hospital care may not be provided if such services are available at a facility of the uniformed services located within a 40-mile radius of the residence of the patient, except that such services may be provided in any case in which another insurance plan or program [pays for at least 75 percent of the services;] *provides primary coverage for the services;*

§ 1086. Contracts for health benefits for certain members, former members, and their dependents

(a) * * *

* * * * * * *

(c) The following persons are eligible for health benefits under this section:

(1) * * *

(2) A dependent (other than a dependent covered by section 1072(2)(E) of this title) of a member of a uniformed service—

(A) who died while on active duty for a period of more than 30 days; or

(B) who died from an injury [or illness], *illness, or disease* incurred or aggravated—

(i) while on active duty under a call or order to active duty of 30 days or less, on active duty for training, or on inactive duty training; or

(ii) while traveling to or from the place at which the member is to perform, or has performed, such active duty, active duty for training, or inactive duty training.

* * * * * * *

§ 1087. Programing facilities for certain members, former members, and their dependents in construction projects of the uniformed services

(a) * * *

(b)(1) * * *

(2) In addition, a determination made for the purpose of clause (2) of subsection (a) shall be made in accordance with an economic analysis (including a life-cycle cost analysis) of the facility and consideration of all reasonable and available medical care treatment alternatives (including treatment provided under a contract under section 1086 of this title or under part A of **[**title XVIII of the Social Security Act). (42 U.S.C. 1395c et seq.)**]** *title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.)).*

* * * * * * *

§ 1094. Licensure requirement for health-care professionals

(a) * * *

* * * * * * *

(d) In this section:

(1) "License"—

(A) means a grant of permission by an official agency of a State, the District of Columbia, or a Commonwealth, territory, or possession of the United States to provide health care independently as a health-care professional; and

(B) includes, in the case of such care furnished in a foreign country by any person who is not a national of this United States, a grant of permission by an official agency of that foreign country for that person to provide health care independently as a health-care professional.

(2) "Health-care professional" means a physician, dentist, clinical psychologist, or nurse and any other person providing direct patient care as maybe designated by the Secretary of Defense in regulations.

* * * * * * *

§ 1096. Contracts for medical care for retirees, dependents, and survivors: alternative delivery of health care

(a) IN GENERAL.—The Secretary of Defense, after consulting with the other administering Secretaries, may contract for the delivery of health care to which covered beneficiaries are entitled under this chapter. The Secretary may enter into a contract under this section with any of the following:

(1) Health maintenance organizations.

(2) Preferred provider organizations.

(3) Individual providers, individual medical facilities, or insurers or consortiums of such providers, facilities, or insurers.

(b) SCOPE OF COVERAGE UNDER HEALTH CARE PLANS.—A contract entered into under this section may provide for the delivery of—

(1) selected health care services;

(2) total health care services for selected covered beneficiaries; or

(3) total health care services for all covered beneficiaries who reside in a geographical area designated by the Secretary.

(c) CHARGES FOR HEALTH CARE.—The Secretary of Defense may prescribe by regulation a premium, deductible, copayment, or other charge for health care provided under this section.

(d) DEFINITION.—In this section, the term "covered beneficiary" means a beneficiary under this chapter other than a beneficiary under section 1074(a) of this title.

§ 1097. Military Health Care Account

(a) ESTABLISHMENT OF ACCOUNT.—

(1) Establishment.—There is hereby established in the Department of Defense an account to be known as the "Military Health Care Account". All sums appropriated to carry out the functions of the Secretary of Defense with respect to the Civilian Health and Medical Program of the Uniformed Services shall be appropriated to the account.

(2) Availability of amounts.—Amounts appropriated to the account shall remain available until obligated or expended under subsection (c) or (d).

(b) ALLOCATION OF AMOUNTS IN ACCOUNT FOR PROVISION OF MEDICAL CARE BY SERVICE SECRETARIES.—

(1) REQUESTS FOR ALLOCATIONS.—The Secretary of a military department shall, before the beginning of a fiscal year quarter, provide to the Secretary of Defense a description of the amounts necessary to pay for charges for benefits under the program for covered beneficiaries under the jurisdiction of the Secretary for that quarter.

(2) ALLOCATION BY SECRETARY OF DEFENSE.—The Secretary of Defense shall, subject to amounts provided in advance in appropriation Acts, make available to each Secretary of a military department the amount from the account that the Secretary of Defense determines is necessary to pay for charges for benefits under the program for covered beneficiaries under the jurisdiction of that Secretary for that quarter.

(c) EXPENDITURE OF AMOUNTS FROM ACCOUNT BY SERVICE SECRETARIES.—The Secretary of a military department shall provide medical and dental care to covered beneficiaries for a fiscal-year quarter from amounts appropriated to the Secretary and from amounts from the account made available for that quarter to the Secretary by the Secretary of Defense.

(d) OBLIGATION OF AMOUNTS FROM ACCOUNT BY SECRETARY OF DEFENSE.—The Secretary of Defense may obligate or expend funds from the account for purposes of entering into a contract under sec-

tion 1096 of this title to the extent amounts are available in the account.

(e) Regulations.—The Secretary shall prescribe regulations to carry out this section.

(f) Definitions.—In this section:

(1) The term "account" means the Military Health Care Account established in subsection (a).

(2) The term "Civilian Health and Medical Program of the Uniformed Services" means the program authorized under sections 1079 and 1086 of this title and includes contracts entered into under section 1091 or 1096 of this title and demonstration projects under section 1092 of this title.

(3) The term "covered beneficiary" has the meaning given that term in section 1095(d) of this title.

(4) The term "program" means the Civilian Health and Medical Program of the Uniformed Services.

§ 1098. Health care enrollment system

(a) Establishment of System.—The Secretary of Defense, after consultation with the other administering Secretaries, shall establish a system of health care enrollment for covered beneficiaries who reside in the United States.

(b) Description of System.—Such system shall—

(1) allow covered beneficiaries to elect a health care plan from eligible health care plans designated by the Secretaries; or

(2) if necessary in order to ensure full use of facilities of the uniformed services in a geographical area, assign covered beneficiaries who reside in such area to a health care plan.

(c) Health Care Plans Available Under System.—A health care plan designated by the Secretary of Defense shall provide all health care to which a covered beneficiary is entitled under this chapter. Such a plan may consist of any of the following:

(1) Use of facilities of the uniformed services.

(2) The Civilian Health and Medical Program of the Uniformed Services.

(3) Any other health care plan contracted for by the Secretary of Defense.

(d) Issuance of Regulations.—The Secretary of Defense, after consultation with the other administering Secretaries, shall prescribe regulations to carry out this section.

(e) Definitions.—In this section:

(1) The term "Civilian Health and Medical Program of the Uniformed Services" has the meaning given that term in section 1097(f)(2) of this title.

(2) The term "covered beneficiary" has the meaning given that term in section 1096(d) of this title.

§ 1099. Diagnosis-related groups

(a) Establishment of DRGs.—The Secretary of Defense, after consultation with the other administering Secretaries, shall establish by regulation the use of diagnosis-related groups as the primary criteria for allocation of resources to facilities of the uniformed services.

(b) CONTENT OF REGULATIONS.—Such regulations shall establish a system of diagnosis-related groups similar to that established under section 1886(d)(4) of the Social Security Act (42 U.S.C. 1395ww(d)(4)). Such regulations shall include the following:

(1) A classification of inpatient treatments by diagnosis-related groups and a similar classification of outpatient treatment.

(2) A methodology for classifying specific treatments within such groups.

(3) An appropriate weighting factor for each such diagnosis-related group which reflects the relative resources used by a facility of a uniformed service with respect to treatments classified within that group compared to treatments classified within other groups.

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CHAPTER 61—RETIREMENT OR SEPARATION FOR PHYSICAL DISABILITY

Sec.
1201. Regulars and members on active duty for more than 30 days: retirement.
1202. Regulars and members on active duty for more than 30 days: temporary disability retired list.
1203. Regulars and members on active duty for more than 30 days: separation.
[1204. Members on active duty for 30 days or less; disability from injury: retirement.]
1204. Members on active duty for 30 days or less: retirement.
[1205. Members on active duty for 30 days or less; disability from injury: temporary disability retired list.]
1205. Members on active duty for 30 days or less: temporary disability retired list.
[1206. Members on active duty for 30 days or less; disability from injury: separation.]
1206. Members on active duty for 30 days or less: separation.

* * * * * * *

[§ 1204. Members on active duty for 30 days or less; disability from injury: retirement]

§ 1204. Members on active duty for 30 days or less: retirement

Upon a determination by the Secretary concerned that a member of the armed forces not covered by section 1201, 1202, or 1203 of this title is unfit to perform the duties of his office, grade, rank, or rating because of physical disability [resulting from an injury], the Secretary may retire the member with retired pay computed under section 1401 of this title, if the Secretary also determines that—

(1) * * *

* * * * * * *

[§ 1205. Members on active duty for 30 days or less; disability from injury: temporary disability retired list]

§ 1205. Members on active duty for 30 days or less: temporary disability retired list

Upon a determination by the Secretary concerned that a member of the armed forces not covered by section 1201, 1202, or 1203 of this title would be qualified for retirement under section 1204 of this title but for the fact that his disability is not determined to be of a permanent nature and stable, the Secretary shall, if he also determines that accepted medical principles indicate that the disability may be of a permanent nature, place the member's name on the temporary disability retired list, with retired pay computed under section 1401 of this title.

[§ 1206. Members on active duty for 30 days or less; disability from injury: separation]

§ 1206. Members on active duty for 30 days or less: separation

Upon a determination by the Secretary concerned that a member of the armed forces not covered by section 1201, 1202, or 1203 of this title is unfit to perform the duties of his office, grade, rank, or rating because of physical disability [resulting from an injury], the member may be separated from his armed force, with severance pay computed under section 1212 of this title, if the Secretary also determines that—

(1) * * *

* * * * * * *

§ 1208. Computation of service

(a) For the purposes of this chapter, a member of a regular component shall be credited with the service described in clause (1) or that described in clause (2), whichever is greater:

(1) The service that he is considered to have for the purpose of separation, discharge, or retirement for length of service.

(2) The sum of—

(A) his active service as a member of the armed forces, a nurse, a reserve nurse [after February 2, 1901], a contract surgeon, a contract dental surgeon, or an acting dental surgeon;

* * * * * * *

§ 1216. Secretaries: powers, functions, and duties

(a) * * *

* * * * * * *

(d) The Secretary concerned may not, with respect to any member [who is in pay grade O-7 or higher or is a Medical Corps officer or medical officer of the Air Force] *who is a general officer or flag officer or is a medical officer* being processed for retirement under any provisions of this title by reason of age or length of service—

(1) retire such member under section 1201 of this title;

(2) place such member on the temporary disability retired list pursuant to section 1202 of this title; or

(3) separate such member from an armed force pursuant to section 1203 of this title

by reason of unfitness to perform the duties of his office, grade, rank, or rating unless the determination of the Secretary concerned with respect to unfitness is first approved by the Secretary of Defense on the recommendation of the Assistant Secretary of Defense for Health Affairs.

* * * * * * *

CHAPTER 71—COMPUTATION OF RETIRED PAY

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§ 1408. Payment of retired or retainer pay in compliance with court orders

(a) In this section:

(1) * * *

* * * * * * *

(4) "Disposable retired or retainer pay" means the total monthly retired or retainer pay to which a member is entitled **[**(other than the retired pay of a member retired for disability under chapter 61 of this title)**]** less amounts which—

(A) are owed by that member to the United States;

* * * * * * *

[(E) are deducted as Government life insurance premiums (not including amounts deducted for supplemental coverage); or**]**

(E) in the case of a member entitled to retired pay under chapter 61 of this title, are equal to the amount of retired pay of the member under that chapter computed using the percentage of the member's disability on the date when the member was retired (or the date on which the member's name was placed on the temporary disability retired list); or

* * * * * * *

CHAPTER 73—ANNUITIES BASED ON RETIRED OR RETAINER PAY

* * * * * * *

SUBCHAPTER II—SURVIVOR BENEFIT PLAN

* * * * * * *

§ 1447. Definitions

In this subchapter:

(1) "Plan" means the Survivor Benefit Plan established by this subchapter.

(2) "Base amount" means—

(A) in the case of a person who dies after becoming entitled to retired **[**or retainer**]** pay, the amount of monthly retired **[**or retainer**]** pay to which the person—

(i) was entitled when he became eligible for that pay; or

(ii) later became entitled by being advanced on the retired list, performing active duty, or being transferred from the temporary disability retired list to the permanent disability retired list;

* * * * * * *

§ 1448. Application of Plan

(a)(1) * * *

* * * * * * *

(5) A person who is not married when he becomes eligible to participate in the Plan but who later marries or acquires a dependent child may elect to participate in the Plan, but his election must be written, signed by him, and received by the Secretary concerned within one year after he marries or acquires that dependent child. Such an election may not be revoked except in accordance with subsection (b)(3). His election is effective as of the first day of the first calendar month following the month in which his election is received by the Secretary concerned. In the case of a person providing [an annuity by virtue of eligibility under paragraph (1)(B)] *a reserve-component annuity,* such an election shall include a designation under subsection (e).

(b)(1) * * *

* * * * * * *

(5) A person who elects to provide an annuity to a former spouse under paragraph (2) or (3) shall, at the time of making the election, provide the Secretary concerned with a written statement (in a form to be prescribed by that Secretary and signed by such person and the former spouse) setting forth *(A) whether the election is being made pursuant to the requirements of a court order, or (B)* whether the election is being made pursuant to a written agreement previously entered into voluntarily by such person as a part of or incident to a proceeding of divorce, dissolution, or annulment and (if so) whether such voluntary written agreement has been incorporated in, or ratified or approved by, a court order.

* * * * * * *

(d)(1) * * *

(2) The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a member described in paragraph (1) [if the member and the member's spouse die as a result of a common accident] *if there is no surviving spouse or if the member's surviving spouse subsequently dies.*

* * * * * * *

(f)(1) * * *

(2) The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a person described in paragraph (1) [if the person and the person's spouse die as a result of a common accident] *if there is no surviving spouse or if the person's surviving spouse subsequently dies.*

* * * * * * *

§ 1450. Payment of annuity: beneficiaries

(a) * * *

(b) An annuity payable to the beneficiary terminates effective as of the first day of the month in which eligibility is lost. An annuity for a widow, widower, or former spouse shall be paid to the widow, widower, or former spouse while the widow, widower, or former spouse is living or, if the widow, widower, or former spouse remarries before reaching age [60,] *55,* until the widow or widower remarries. If the widow, widower, or former spouse remarries before reaching age [60,] *55,* and that marriage is terminated by death, annulment, or divorce, payment of the annuity will be resumed effective as of the first day of the month in which the marriage is so terminated. However, if the widow, widower, or former spouse is also entitled to an annuity under the Plan based upon the marriage so terminated, the widow, widower, or former spouse may not receive both annuities but must elect which to receive.

(c) If, upon the death of a person to whom section 1448 of this title applies, the widow, widower, or former spouse of that person is also entitled to *dependency and indemnity* compensation under section 411(a) of title 38, the widow, widower, or former spouse may be paid an annuity under this section, but only in the amount that the annuity otherwise payable under this section would exceed that compensation. A reduction in an annuity under this section required by the preceding sentence shall be effective on the date of the commencement of the period of payment of such compensation under title 38.

* * * * * * *

(f)(1) * * *

(2) A person who, incident to a proceeding of divorce, dissolution, or annulment, [enters into a voluntary written agreement to elect under section 1448(b) of this title to provide an annuity to a former spouse and who makes an election pursuant to such agreement] *is required by a court order to elect under section 1448(b) of this title to provide an annuity to a former spouse (or to both a former spouse and child), or who enters into a written agreement (whether voluntary or required by a court order) to make such an election, and who makes an election pursuant to such order or agreement,* may not change such election under paragraph (1) unless—

(A) in a case in which [such agreement] *the election is required by a court order, or in which an agreement to make the election* has been incorporated in or ratified or approved by a court order, the person—

(i) furnishes to the Secretary concerned a certified copy of a court order which is regular on its face and modifies the provisions of all previous court orders relating to *such election, or* the agreement to make such election *so as to permit the person to change the election; and*

(ii) certifies to the Secretary concerned that the court order is valid and in effect; or

(B) in a case [in which such agreement] *of a written agreement that* has not been incorporated or ratified or approved by a court order, the person—

(i) furnishes to the Secretary concerned a statement, in such form as the Secretary concerned may prescribe, signed by the former spouse and evidencing the former spouse's agreement to a change in the election under paragraph (1); and

(ii) certifies to the Secretary concerned that the statement is current and in effect.

(3)(A) If a person described in paragraph (2) or (3) of section 1448(b) of this title enters, incident to a proceeding of divorce, dissolution, or annulment, into a [voluntary] written agreement to elect under section 1448(b) of this title to provide an annuity to a former spouse and such agreement has been incorporated in or ratified or approved by a court order or has been filed with the court of appropriate jurisdiction in accordance with applicable State law *or if such person is required by a court order to make such an election*, and such person then fails or refuses to make such an election, such person shall be deemed to have made such an election if the Secretary concerned receives a written request, in such manner as the Secretary shall prescribe, from the former spouse concerned requesting that such an election be deemed to have been made and receives a copy of the court order, regualr on its face, which *requires such election or* incorporates, ratifies, or approves the [voluntary] written agreement of such person or receives a statement from the clerk of the court (or other appropriate official) that such agreement has been filed with the court in accordance with applicable State law.

* * * * * * *

[(4) Nothing in this chapter authorizes any court to order any person to elect under section 1448(b) of this title to provide an annuity to a former spouse unless such person has voluntarily agreed in writing to make such election.]

(4) A court order may require a person to elect (or to enter into an agreement to elect) under section 1448(b) of this title to provide an annuity to a former spouse (or to both a former spouse and child).

* * * * * * *

§ 1451. Amount of annuity

(a)(1) In the case of a standard annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

(A) If the beneficiary is under 62 years of age *or is a dependent child* when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 55 percent of the base amount (as the base amount is adjusted from time to time under [subsection] *section* 1401a of this title).

(B) If the beneficiary *(other than a dependent child)* is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 35 percent of the base amount (as the base amount is adjusted from time to time under section 1401a of this title). However, if the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary, the annuity shall be computed under that subsection.

(2) In the case of a reserve-component annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

(A) If the beneficiary is under 62 years of age *or is a dependent child* when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

(i) is less than 55 percent; and

(ii) is determined under subsection (f).

(B) If the beneficiary *(other than a dependent child)* is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

(i) is less than 35 percent; and

(ii) is determined under subsection (f).

However, if the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary, the annuity shall be computed under that subsection.

* * * * * * *

(c)(1) In the case of an annuity provided under section 1448(d) or 1448(f) of this title, the amount of the annuity shall be determined as follows:

(A) If the person receiving the annuity is under 62 years of age *or is a dependent child* when the member or former member dies, the monthly annuity shall be the amount equal to 55 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died.

(B) If the person receiving the annuity *(other than a dependent child)* is 62 years of age or older when the member or former member dies, the monthly annuity shall be the amount equal to 35 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died. However, if the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary, the annuity shall be computed under that subsection.

* * * * * * *

§ 1452. Reduction in retired pay

(a) * * *

* * * * * * *

(h) Whenever retired [and retainer] pay is increased under section 1401a of this title, the amount of the reduction to be made under subsection (a) or (b) in the retired pay of any person shall be increased at the same time and by the same percentage as such retired pay is increased under section 1401a of this title.

* * * * * * *

CHAPTER 75—DEATH BENEFITS

* * * * * * *

§ 1475. Death gratuity: death of members on active duty or inactive duty training and of certain other persons

(a) Except as provided in section 1480 of this title, the Secretary concerned shall have a death gratuity paid to or for the survivor prescribed by section 1477 of this title, immediately upon receiving official notification of the death of—

(1) * * *

* * * * * * *

(3) any Reserve of an armed force who, when authorized or required by an authority designated by the Secretary, assumed an obligation to perform active duty for training, or inactive duty training (other than work or study in connection with a correspondence course of an armed force or attendance, in an inactive status, at an educational institution, under the sponsorship of an armed force or the Public Health Service), and who dies [from an injury incurred by him after December 31, 1956,] while traveling directly to or from that active duty for training or inactive duty training;

* * * * * * *

§ 1476. Death gratuity: death after discharge or release from duty or training

[(a) Except as provided in section 1480 of this title, the Secretary concerned shall have a death gratuity paid to or for the survivor prescribed by section 1477 of this title of each person who dies within 120 days after his discharge or release from—

[(1) active duty; or

[(2) inactive duty training (other than work or study in connection with a correspondence course of an armed force or attendance, in an inactive status, at an educational institution under the sponsorship of an armed force or the Public Health Service);

if the Administrator of Veterans' Affairs determines that the death resulted from (A) disease or injury incurred or aggravated while performing duty under clause (1) or the travel described in subsection (b), or (B) injury incurred or aggravated while performing training under clause (2) or the travel described in subsection (b)(2).]

(a)(1) Except as provided in section 1480 of this title, the Secretary concerned shall pay a death gratuity to or for the survivors prescribed in section 1477 of this title of each person who dies within 120 days after discharge or release from—

(A) active duty; or

(B) inactive-duty training (other than work or study in connection with a correspondence course of an armed force or attendance, in an inactive status, at an educational institution under the sponsorship of an armed force or the Public Health service).

(2) A death gratuity may be paid under paragraph (1) only if the Administrator of Veterans' Affairs determines that the death resulted from an injury or disease incurred or aggravated during—

(A) the active duty or inactive-duty training described in paragraph (1); or

(B) travel directly to or from such duty.

[(b) The travel by subsection (a) is—

[(1) authorized travel to or from the duty described in subsection (a)(1); or

[(2) travel directly to or from the duty or training described in subsection (a)(1) or (2) that is performed by a Reserve who, when authorized or required by an authority designated by the Secretary, assumed an obligation to perform that duty or training and whose injury was incurred or aggravated after December 31, 1956.]

[(c)]*(b)* For the purpose of this section, the standards and procedures for determining the incurrence or aggravation of a disease or injury are those applicable under the laws relating to disability compensation administered by the Veterans' Administration, except that there is no requirement under this section that any incurrence or aggravation have been in line of duty.

[(d)]*(c)* This section does not apply to the survivors of persons who were temporary members of the Coast Guard Reserve at the time of their death.

* * * * * * *

§ 1481. Recovery, care, and disposition of remains: decedents covered

(a) The Secretary concerned may provide for the recovery, care, and disposition of the remains of—

(1) any Regular of an armed force, or member of an armed force without component, under his jurisdiction who dies while on active duty;

[(2) any Reserve of an armed force under his jurisdiction who dies while (A) on active duty, (B) performing authorized travel to or from that duty, (C) on authorized inactive-duty training, or (D) hospitalized or undergoing treatment at the expense of the United States for injury incurred, or disease contracted, while on that duty or training or while performing that travel;]

(2) a member of a reserve component of an armed force who dies while—

(A) on active duty;

(B) performing inactive-duty training;

(C) performing authorized travel directly to or from active duty or inactive-duty training; or

(D) hospitalized or undergoing treatment for an injury, illness, or disease incurred or aggravated while on active duty or performing inactive-duty training;

[(3) any member of the Army National Guard or Air National Guard who dies while entitled to pay from the United States and while (A) on active duty, (B) performing authorized travel to or from that duty, (C) on authorized inactive-duty training, or (D) hospitalized or undergoing treatment at the expense of the United States for injury incurred, or disease contracted, while on active duty or training or while performing that travel;]

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CHAPTER 83—DEFENSE INTELLIGENCE AGENCY CIVILIAN

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§ 1603. Limit on pay

Nothing in [this] sections 1601 and 1602 of this title shall be construed to allow the aggregate amount payable to a member of the Defense Intelligence Senior Executive Service under [this sections 1601 and 1602 of this title] *those sections* during any fiscal year to exceed the annual rate payable for positions at level I of the Executive Schedule in effect at the end of such year.

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CHAPTER 85—PROCUREMENT MANAGEMENT PERSONNEL

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§ 1622. Education, training, and experience requirements: program managers

(a) * * *

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(b) Regulations under subsection (a) shall require that, before being assigned to duty as a program manager, a person—

(1) must have [attended] *completed* the program management course at the Defense Systems Management College or a comparable program management course at another institution; and

(2) must have at least eight years experience in the acquisition, support, and maintenance of weapon systems, at least two of which were performed while assigned to a procurement command.

* * * * * * *

§ 1623. Education, training, and experience *requirements*: flag and general officers

(a) The Secretary of each military department shall prescribe regulations establishing requirements for the education, training, and experience of general or flag officers assigned to duty in a procurement command. Such regulations shall be subject to the approval of the Secretary of Defense.

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PART III—TRAINING

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CHAPTER 101—TRAINING GENERALLY

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§ 2007. Limitation on payment of tuition for off-duty training or educaton

(a) * * *

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(3) in the case of a commissioned officer, *on active duty* no part of the charges may be paid unless the officer agrees to remain on active duty for a period of at least two years after the completion of the training or education.

* * * * * * *

(c)(1) Subject to paragraphs (2) and (3), the Secretary of the Army may pay not more than 75 percent of the charges of an educational institution for the tuition or expenses of an officer in the Selected Reserve of the Army National Guard or the Army Reserve for education or training of such officer in a program leading to a baccalaureate degree.

(2) The Secretary may not pay charges under paragraph (1) for tuition or expenses of an officer unless the officer agrees to remain a member of the Selected Reserve for at least four years after completion of the education or training for which the charges are paid.

(3) The Secretary may not pay charges under paragraph (1)—

(A) for a warrant officer; or

(B) for an officer on active duty or full-time National Guard duty.

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CHAPTER 104—UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

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§ 2113. Board of Regents

(a) * * *

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(f)*(1)* The Board, after considering the recommendations of the Dean, shall obtain the services of such military and civilian professors, instructors, and administrative and other employees as may be necessary to operate the University. Civilian members of the faculty and staff shall be employed under salary schedules and granted retirement and other related benefits prescribed by the Secretary of Defense so as to place the employees of the University on a comparable basis with the employees of fully accredited schools of the health professions within the vicinity of the District of Columbia. The Board may confer academic titles, as appropriate, upon military and civilian members of the faculty. The military members of the faculty shall include a professor of military, naval, or air science as the Board may determine.

(2) The Board may exempt, at any time, a physician who is a member of the faculty from the restrictions in subsections (a), (b), and (c) of section 5532 of title 5, if the Board determines that such exemption is necessary to recruit or retain well-qualified physicians for the faculty of the University. An exemption granted under this paragraph shall terminate upon any break in employment with the University by a physician of three days or more. An exemption granted under this paragraph to a person shall apply to the retired pay of such person beginning with the first month after the month in which the exemption is granted.

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PART IV—SERVICE, SUPPLY, AND PROCUREMENT

Chap. Sec.
131. Planning and Coordination 2201
133. Facilities for Reserve Components 2231
135. Encouragement of Aviation 2271
137. Procurement Generally 2301
138. North Atlantic Treaty Organization Acquisition and Cross-Servicing Agreements ..... [2321] *2341*

* * * * * * *

CHAPTER 131—PLANNING AND COORDINATION

2214. Audit and oversight of contractor activities: coordination and prevention of duplicative policies.

* * * * * * *

§ 2203. Budget estimates

To account for, and report, the cost of performance of readily identifiable functional programs and activities, with segregation of operating and capital programs, budget estimates of the Department of Defense shall be prepared, presented, and justified, where practicable, and authorized programs shall be administered, in such form and manner as the Secretary of Defense, subject to the authority and direction of the President, may prescribe. As far as practicable, budget estimates and authorized programs of the military departments shall be uniform and in readily comparable form.

The budget for the Department of Defense submitted to Congress for each fiscal year shall include data projecting the effect of the appropriations requested for materiel readiness requirements. *The Secretary of Defense shall provide that the budget justification documents for such budget include information on the number of employees of contractors estimated to be working on contracts of the Department of Defense during the fiscal year for which the budget is submitted. Such information shall be set forth in terms of employee-years or such other measure as will be uniform and readily comparable with civilian personnel of the Department of Defense.*

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§ 2208. Working-capital funds

(a) * * *

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(d) The Secretary of Defense may provide capital for working-capital funds by capitalizing inventories. [In addition, such amounts may be appropriated for the purpose of providing capital for working-capital funds as have been specifically authorized by law] *Further amounts may be provided for working capital-funds from appropriations made for that purpose.*

* * * * * * *

§ 2214. Audit and oversight of contractor activities: coordination and prevention of duplicative policies

(a) COORDINATION.—The Secretary of Defense shall prescribe procedures to ensure that Department of Defense policies for the audit and oversight of contractor activities are coordinated and carried out in a manner to prevent duplication of audit and oversight activities by different elements of the Department.

(b) CONSULTATION.—In carrying out this section, the Secretary shall consult with the Under Secretary of Defense for Acquisition and the Inspector General of the Department of Defense.

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CHAPTER 133—FACILITIES FOR RESERVE COMPONENTS

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§ 2236. Contributions to States; other use permitted by States

(a) * * *

(b) A contribution made for an armory under clause (4) or (5) of section 2233(a) of this title may not exceed the sum of—

(1) 100 percent of the cost of architectural, engineering and design services (including advance architectural, engineering and design services under section 2233(e) of this title); and

(2) a percentage of the cost of construction (exclusive of the cost of architectural, engineering and design services) calculated so that upon completion of construction the total contribution (including the contribution for architectural, engineering and design services) equals 75 percent of the total cost of con-

struction (including the cost of architectural, engineering and design services).

For the purpose of computing the cost of construction under this subsection, the amount contributed by a State[, territory, the Commonwealth of Puerto Rico, or the District of Columbia, as the case may be,] may not include the cost or market value of any real property that it has contributed.

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CHAPTER 137—PROCUREMENT GENERALLY

Sec.
2301. Congressional defense procurement policy.

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[2306. Kinds of contracts; cost or pricing data: truth in negotiation.]
2306. Kinds of contracts.
2306a. Cost or pricing data: truth in negotiations.

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[2319. Encouragement of new competition.]
2319. Encouragement of new competitors.

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[2323. Commercial pricing for supplies.]
2323. Commercial pricing for items of supply.

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2325. Preference for nondevelopmental items.

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§ 2302. Definitions

In this chapter:

(1) * * *

(2) "Competitive procedures" means procedures under which the head of an agency enters into a contract pursuant to full and open competition. Such term also includes—

(A) procurement of architectural or engineering services conducted in accordance with title IX of the Federal Property and Administrative Services Act of 1949 ([41]*40* U.S.C. 541 et seq.);

* * * * * * *

§ 2304. Contracts: competition requirements

(a) * * *

(b)(1) * * *

(2) An executive agency may provide for the procurement of property or services covered by this section using competitive procedures, but excluding other than small business concerns in furtherance of sections 9 and 15 of the Small Business Act (15 U.S.C. [639;] *638,* 644).

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§ 2305. Contracts: planning, solicitation, evaluation, and award procedures

(a) * * *

(b)(1) * * *

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(4)(A) * * *

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(E) Subparagraph (D) does not apply with respect to the award of a contract for the acquisition of perishable subsistence items.

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[§ 2306. Kinds of contracts; cost or pricing data: truth in negotiation]

§ 2306. Kinds of contracts

(a) * * *

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[(f)(1) A prime contractor or any subcontractor shall be required to submit cost or pricing data under the circumstances listed below, and shall be required to certify that, to the best of such contractor's or subcontractor's knowledge and belief, the cost or pricing data submitted was accurate, complete and current—

[(A) before the award of any prime contract under this chapter entered into after using procedures other than sealed-bid procedures, if the price is expected to exceed $100,000;

[(B) before the pricing of any contract change or modification if the price adjustment is expected to exceed $100,000, or such lesser amount as may be prescribed by the head of the agency;

[(C) before the award of a subcontract at any tier, when the prime contractor and each higher tier subcontractor have been required to furnish such a certificate, if the price of such subcontract is expected to exceed $100,000; or

[(D) before the pricing of any contract change or modification to a subcontract covered by clause (C), if the price adjustment is expected to exceed $100,000, or such lesser amount as may be prescribed by the head of the agency.

[(2) Any prime contract or change or modification thereto under which such certificate is required shall contain a provision that the price to the Government, including profit or fee, shall be adjusted to exclude any significant sums by which it may be determined by the head of the agency that such price was increased because the contractor or any subcontractor required to furnish such a certificate, furnished cost or pricing data which, as of a date agreed upon between the parties (which date shall be as close to the date of agreement on the price as is practicable), was inaccurate, incomplete, or noncurrent.

[(3) The requirements of this subsection need not be applied to contracts or subcontracts where the price is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, prices set by law or regulation or, in exceptional cases where the head of the agency determines that the requirements of this subsection may be waived and states in writing his reasons for such determination.

[(4) When cost or pricing data is not required to be submitted by this subsection, such data may nevertheless be required by the head of the agency if the head of the agency determines that such data is necessary for the evaluation by the agency of the reasonableness of the price of the contract or subcontract.

[(5) For the purpose of evaluating the accuracy, completeness, and currency of cost or pricing data required to be submitted by this subsection, any authorized representative of the head of the agency who is an employee of the United States Government shall have the right, until the expiration of three years after final payment under the contract or subcontract, to examine all books, records, documents, and other data of the contractor or subcontractor related to the proposal for the contract, the discussions conducted on the proposal, pricing, or performance of the contract or subcontract.]

(f) So-called "truth-in-negotiations" provisions relating to cost or pricing data to be submitted by certain contractors and subcontractors are provided in section 2306a of this title.

* * * * * * *

§ 2306a. Cost or pricing data: truth in negotiations

(a) REQUIRED COST OR PRICING DATA AND CERTIFICATION.—(1) The head of an agency shall require offerors, contractors, and subcontractors to make cost or pricing data available as follows:

(A) An offeror for a prime contract under this chapter to be entered into using procedures other than sealed-bid procedures shall be required to submit cost or pricing data before the award of the contract if the price of the contract to the United States is expected to exceed $100,000.

(B) The contractor for a contract under this chapter shall be required to submit cost or pricing data before the pricing of a change or modification to the contract if the price adjustment is expected to exceed $100,000 (or such lesser amount as may be prescribed by the head of the agency).

(C) An offeror for a subcontract (at any tier) of a contract under this chapter shall be required to submit cost or pricing data before the award of the subcontract if—

(i) the price of the subcontract is expected to exceed $100,000; and

(ii) the prime contractor and each higher-tier subcontractor have been required to make available cost or pricing data under this subsection.

(D) The subcontractor for a subcontract covered by subparagraph (C) shall be required to submit cost or pricing data before the pricing of a change or modification to the subcontract if the price adjustment is expected to exceed $100,000 (or such lesser amount as may be prescribed by the head of the agency).

(2) A person required, as an offeror, contractor, or subcontractor, to submit cost or pricing data under paragraph (1) (or required by the head of the agency concerned to submit such data under subsection (c)) shall be required to certify that, to the best of the person's

knowledge and belief, the cost or pricing data submitted as accurate, complete, and current.

(3) Cost or pricing data required to be submitted under paragraph (1) (or under subsection (c)), and a certification required to be submitted under paragraph (2), shall be submitted to the contracting officer for the prime contract concerned (or to a representative of the contracting officer designated by the contracting officer for the purposes of the negotiation of the contract).

(4) Except as provided under subsection (b), this section applies to contracts entered into by the head of an agency on behalf of a foreign government.

(b) EXCEPTIONS.—This section need not be applied to a contract or subcontract—

(1) for which the price agreed upon is based on—

(A) adequate price competition;

(B) established catalog or market prices of commercial items sold in substantial quantities to the general public; or

(C) prices set by law or regulation; or

(2) in an exceptional case when the head of the agency determines that the requirements of this section may be waived and states in writing his reasons for such determination.

(c) AUTHORITY TO REQUIRE COST OR PRICING DATA.—When cost or pricing data are not required to be submitted by this section, such data may nevertheless be required to be submitted by the head of the agency if the head of the agency determines that such data are necessary for the evaluation by the agency of the reasonableness of the price of the contract or subcontract.

(d) PRICE REDUCTIONS FOR DEFECTIVE COST OR PRICING DATA.—(1)(A) A prime contract (or change or modification to a prime contract) under which a certificate under subsection (a)(2) is required shall contain a provision that the price of the contract to the United States, including profit or fee, shall be adjusted to exclude any significant amount by which it may be determined by the head of the agency that such price was increased because the contractor (or any subcontractor required to make available such a certificate) submitted defective cost or pricing data.

(B) For the purposes of this section, defective cost or pricing data are cost or pricing data which, as of the date of agreement on the price of the contract (or another date agreed upon between the parties), were inaccurate, incomplete, or noncurrent. If for purposes of the preceding sentence the parties agree upon a date other than the date of agreement on the price of the contract, the date agreed upon by the parties shall be as close to the date of agreement on the price of the contract as is practicable.

(2)(A) A contractor shall not be allowed to offset an amount against the amount of a contract price adjustment under a contract provision required by paragraph (1) unless—

(i) the contractor certifies to the contracting officer (or to a representative of the contracting officer designated by the contracting officer) that, to the best of the contractor's knowledge and belief, the contractor is entitled to the offset; and

(ii) the contractor proves that the cost or pricing data were available before the date of agreement on the price of the con-

tract (or price of the modification) and that the data were not submitted as specified in subsection (a)(3) before such date.

(B) A contractor shall not be allowed to offset an amount otherwise authorized to be offset under subparagraph (A) if the United States proves that, had the cost or pricing data referred to in subparagraph (A)(ii) been submitted to the United States before the date of agreement on the price of the contract (or price of the modification), the submission of such cost or pricing data would not have resulted in an increase in that price in the amount to be offset.

(3) In determining for purposes of a contract price adjustment under a contract provision required by paragraph (1) whether, and to what extent, a contract price was increased because the contractor (or a subcontractor) submitted defective cost or pricing data, it shall be a defense that the United States did not rely on the defective data submitted by the contractor or subcontractor.

(4) It is not a defense to an adjustment of the price of a contract under a contract provision required by paragraph (1) that—

(A) the price of the contract would not have been modified even if accurate, complete, and current cost or pricing data had been submitted by the contractor or subcontractor because the contractor or subcontractor—

(i) was the sole source of the property or services procured; or

(ii) otherwise was in a superior bargaining position with respect to the property or services procured;

(B) the contracting officer should have known that the cost and pricing data in issue were defective even though the contractor or subcontractor took no affirmative action to bring the character of the data to the attention of the contracting officer;

(C) the contract was based on an agreement between the contractor and the United States about the total cost of the contract and there was no agreement about the cost of each item procured under such contract; or

(D) the prime contractor or subcontractor did not submit a certification of cost and pricing data relating to the contract as required under subsection (a)(2).

(e) INTEREST AND PENALTIES FOR CERTAIN OVERPAYMENTS.—(1) If the United States makes an overpayment to a contractor under a contract with the Department of Defense subject to this section and the overpayment was due to the submission by the contractor of defective cost or pricing data, the contractor shall be liable to the United States—

(A) for interest on the amount of such overpayment, to be computed—

(i) for the period beginning on the date the overpayment was made to the contractor and ending on the date the contractor repays the amount of such overpayment to the Untied States; and

(ii) at the current rate prescribed by the Secretary of the Treasury under section 6621 of the Internal Revenue Code of 1954; and

(B) if the submission of such defective data was a knowing submission, for an additional amount equal to the amount of the overpayment.

(2) Except as provided under subsection (d), the liability of a contractor under this subsection shall not be affected by the contractor's refusal to submit a certification under subsection (a)(2) with respect to the cost or pricing data involved.

(f) Right of United States to Examine Contractor Records.—(1) For the purpose of evaluating the accuracy, completeness, and currency of cost or pricing data required to be submitted by this section with respect to a contract or subcontract, the head of the agency, acting through any authorized representative of the head of the agency who is an employee of the United States or a member of the armed forces, shall have the right to examine all records of the contractor or subcontractor related to—

(A) the proposal for the contract or subcontract;

(B) the discussions conducted on the proposal;

(C) pricing of the contract or subcontract; or

(D) performance of the contract or subcontract.

(2) The right of the head of an agency under paragraph (1) shall expire three years after final payment under the contract or subcontract.

(3) In this subsection, the term "records" includes books, documents, and other data.

(g) Cost or Pricing Data Defined.—In this section, the term "cost or pricing data" means all facts that, as of the time of agreement on the price of a contract (or the price of a contract modification), a prudent buyer or seller would reasonably expect to affect price negotiations significantly. Such term does not include information that is judgmental and not subject to vrification.

* * * * * * *

§ 2320. Rights in technical data

[(a) The legitimate proprietary interest of the United States and of a contractor in technical or other data shall be defined in regulations of the Department of Defense prescribed as part of the single system of Government wide procurement regulations as defined in section 4(4) of the Office of Federal Procurement Policy Act. Such regulations may not impair any right of the United States or of any contractor with respect to patents or copyrights or any other right in technical data otherwise established by law. The following factors shall be considered in prescribing such regulations:

[(1) Whether the item or process to which the technical data pertains was developed—

[(A) exclusively with Federal funds;

[(B) exclusively at private expense; or

[(C) in part with Federal funds and in part at private expense.

[(2) The statement of congressional policy and objectives in section 200 of title 35, the statement of purposes in section 2(b) of the Small Business Innovation Development Act of 1982 (Public Law 97-219; 15 U.S.C. 638 note), and the declaration of policy in section 2 of the Small Business Act (15 U.S.C. 631).

[(3) The interest of the United States in increasing competition and lowering costs by developing and locating alternative sources of supply and manufacture.

[(4) The policy set forth in section 1202(6) of the Defense Procurement Reform Act of 1984.]

(a)(1) The Secretary of Defense shall prescribe regulations to define the legitmate interest of the United States and of a contractor or subcontractor in technical data pertaining to a product or process. Such regulations shall be included in regulations of the Department of Defense prescribed as part of the Federal Acquisition Regulation. Such regulations may not impair any right of the United States or of any contractor or subcontractor with respect to patents or copyrights or any other right in technical data otherwise established by law.

(2) Such regulations shall include the following provisions:

(A) In the case of a product or process that is developed by a contractor or subcontractor exclusively with Federal funds, the United States shall have the unlimited right to use, release, or disclose technical data pertaining to the product or process.

(B) In the case of a product or process that is developed by a contractor or subcontractor exclusively at private expense, the contractor or subcontractor may limit the right to use, release, or disclose to persons outside the Government technical data pertaining to the product or process.

(C) Notwithstanding subparagraph (B), the Government may use, release, or disclose technical data pertaining to a product or process to persons outside the Government if such technical data is otherwise publicly available or if—

(i) such use, release, or disclosure—

(I) is necessary for emergency repair and overhaul; or

(II) is a use, release, or disclosure to a foreign government that is in the interest of the United States and is required for evaluational or informational purposes; and

(ii) such use, release, or disclosure is made subject to a prohibition that the person to whom the data is released or disclosed may not further use, release, or disclose such data.

(D) In the case of a product or process that is developed in part with Federal funds and in part at private expense, rights in technical data pertaining to such product or process shall be established as early in the acquisition process as practicable (preferably during contract negotiations), based upon consideration of the following factors:

(i) The statement of congressional policy and objectives in section 200 of title 35, the statement of purposes in section 2(b) of the Small Business Innovation Development Act of 1982 (15 U.S.C. 638 note), and the declaration of policy in section 2 of the Small Business Act (15 U.S.C. 631).

(ii) The interest of the United States in increasing competition and lowering costs by developing and locating alternative sources of supply and manufacture.

(iii) The interest of the United States in encouraging contractors to develop at private expense items for use by the Government.

(E) A contractor or subcontractor, or a prospective contractor or subcontractor, that develops a product or process

exclusively at private expense may not be required, as a condition of being responsive to a solicitation or as a condition for the award of a contract, to sell or otherwise relinquish to the United States any rights in technical data that would permit the use by, or release or disclosure of, such data to persons outside the Government except under the conditions described in paragraph (2)(C).

(F) The Secretary of Defense may—

(i) enter into a contract with a contractor or subcontractor for the acquisition of rights in technical data pertaining to a product or process developed by such contractor or subcontractor exclusively at private expense if necessary to develop alternative sources of supply and manufacture; or

(ii) agree to limit rights of the United States in technical data pertaining to a product or process developed entirely or in part with Federal funds if the United States receives a royalty-free license to use, release, or disclose the data for purposes of the United States (including purposes of competitive procurement).

(2) The Secretary of Defense shall include definitions of the terms "developed" and "private expense" in regulations prescribed under paragraph (1).

(3) In this subsection, the term "Federal Acquisition Regulation" means the single system of Government-wide procurement regulations as defined in section 4(4) of the Office of Federal Procurement Policy Act (41) U.S.C. 403(4)).

* * * * * * *

§ 2321. Validation of proprietary data restrictions

[(a) A contract for supplies or services entered into by the Department of Defense which provides for the delivery of technical data shall provide that—

[(1) a contractor or subcontractor at any tier shall be prepared to furnish to the contracting officer a written justification for any restriction asserted by the contractor or subcontractor on the right of the United States to use such technical data; and

[(2) the contracting officer may review the validity of any restriction asserted by the contractor or by a subcontractor under the contract on the right of the United States to use technical data furnished to the United States under the contract if the contracting officer determines that reasonable grounds exist to question the current validity of the asserted restriction and that the continued adherence to the asserted restriction by the United States would make it impracticable to procure the item competitively at a later time.

[(b) If after such review the contracting officer determines that a challenge to the asserted restriction is warranted, the contracting officer shall provide written notice to the contractor or subcontractor asserting the restriction. Such notice shall—

[(1) state the gounds for challenging the asserted restriction; and

[(2) require a response within 60 days justifying the current validity of the asserted restriction.]

(a) A contract for supplies or services entered into by the Department of Defense which provides for the delivery of technical data shall provide that a contractor or subcontractor at any tier shall be prepared to furnish to the contracting officer a written justification for any restriction asserted by the contractor or subcontractor on the right of the United States to use such technical data.

(b)(1) The Secretary of Defense shall ensure that there is a thorough review of the appropriateness of any restriction on the right of the United States to use, release, or disclose technical data delivered under a contract. Such review shall be conducted before the end of the three-year period beginning on the date on which final payment is made on a contract under which technical data is required to be delivered, or the date on which the technical data is delivered under such contract, whichever is later.

(2)(A) If the Secretary determines, at any time before the end of the three-year period beginning on the date on which final payment is made on a contract under which technical data is required to be delivered, or the date on which the technical data is delivered under such contract, whichever is later, that a challenge to a restriction asserted in the contract is warranted, the Secretary shall provide written notice to the contractor or subcontractor asserting the restriction. Such a determination shall be based on a finding by the Secretary that reasonable grounds exist to question the current validity of the asserted restriction and that the continued adherence to the asserted restriction by the United States would make it impracticable to procure the item competitively at a later time. Such notice shall—

(i) state the specific grounds for challenging the asserted restriction;

(ii) require a response within 60 days justifying the current validity of the asserted restriction; and

(iii) state that evidence of a validation by any agency of the Department of Defense of a restriction identical to the asserted restriction within the three-year period preceding the challenge shall serve as justification for the asserted restriction if—

(I) the validation occurred after a review of the validated restriction under this subsection; and

(II) the validated restriction was asserted by the same contractor or subcontractor to whom such notice is being provided.

(B) Notwithstanding subparagraph (A), if technical data delivered under a contract is otherwise publicly available, the United States may challenge a restriction on the use, release, or disclosure of such technical data at any time.

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[§ 2323. Commercial pricing for supplies

[(a) Except in the case of an offer submitted with a written statement under subsection (b)(2) and except as provided in subsection (c), a contract entered into using other than competitive procedures by an agency named in section 2303(a) of this title for the purchase of items that are offered for sale to the public may not result in a price to the United States that exceeds the lowest price at which such items are sold by the contractor to the public.

[(b) A person who submits an offer to such an agency for the supply of items that it offers for sale to the public (1) shall certify in the offer that the price offered is not more than its lowest commercial price for the items, or (2) shall submit with the offer a written statement specifying the amount of the difference between its lowest commercial price for the items and the price offered and providing a justification for that difference.

[(c) Subsections (a) and (b) do not apply to a contract if the contracting officer determines that the use of the price otherwise required by subsection (a) for such contract is not appropriate because of—

[(1) national security considerations; or

[(2) differences in quantities, quality, delivery, or other terms and conditions of the contract from commercial contract terms.]

§ 2323. Commercial pricing for items of supply

(a) LIMITATION ON PRICE OF COMMERCIALLY AVAILABLE SUPPLIES.—Except in the case of an offer submitted with a written statement under subsection (b)(2) and except as provided in subsection (c), if the head of an agency, using procedures other than competitive procedures, enters into a contract with a contractor for the purchase of items which such contractor also offers for sale to the general public, the price charged the United States for such items under the contract may not exceed the lowest commercial price charged by the contractor in sales of such items to the general public, under similar circumstances, terms, and conditions, during a period described in subsection (b)(1).

(b) REQUIREMENTS FOR INCLUSION IN OFFER.—The head of an agency, with respect to an offeror who submits an offer to the head of an agency to enter into a contract for the supply of items under a contract awarded using procedures other than competitive procedures, and who also offers such items for sale to the general public, shall require that the offeror—

(1) certify in such offer that, to the best of the knowledge and belief of the offeror, the price proposed in the offer does not exceed the lowest commercial price at which such offeror sold such items during the most recent regular monthly, quarterly, or other period for which sales data are reasonably available; or

(2) submit with such offer a written statement—

(A) specifying the amount of the difference between the price proposed in the offer and the lowest commercial price at which such offeror sold such items during a period described in paragraph (1); and

(B) providing a justification for that difference.

(c) EXCEPTION TO LIMITATION.—Subsections (a) and (b) do not apply in the case of a contract with respect to which the contracting officer includes in the file on the contract a written determination by such officer that the use of the lowest commercial price with respect to such contract is not appropriate because of—

(1) national security considerations; or

(2) significant differences between the terms of the commercial sales of the items to be acquired under such contract and the terms of such contract, including differences in—

(A) quantity;

(B) quality;

(C) delivery requirements; or

(D) other terms and conditions.

(d) AUDITING.—

(1) IN GENERAL.—In order to verify any certification or statement made under subsection (b) with respect to a contract, the contracting officer who awards such contract, or any representative of the contracting officer who is an employee of the United States or a member of the armed forces, during the time period specified in paragraph (2), may examine and audit all records of sales (including contract terms and conditions) maintained by or for the contractor that are directly pertinent to such certification or statement.

(2) TIME LIMITATION.—The head of an agency shall require an offeror who submits a certification or written statement under subsection (b) to make available the records, books, data, and documents described in paragraph (1) for examination, audit, or reproduction for the purposes of such paragraph during the three-year period beginning on the date that the offeror submits such certification or statement to such head of an agency.

(3) EFFECT ON OTHER RIGHTS.—The authority established in this section is in addition to the authority of the head of an agency under section 2306(f) of this title.

(e) REGULATIONS.—The Secretary of Defense, after consultation with the Secretary of Transportation and the Administrator of the National Aeronautics and Space Administration, shall prescribe regulations to carry out this section. Such regulations may not require the disclosure or submission of any data related to any element underlying the price of a commercial product not otherwise required by law.

(f) LOWEST COMMERCIAL PRICE.—In this section, the term "lowest commercial price" means the lowest price at which a sale was made to the general public of a particular item. Such term does not include the price at which a sale was made to—

(1) to any agency of the United States;

(2) a dealer, distributor, or original equipment manufacturer of the contractor, or any other remarketer unless the Government can demonstrate that the sale is under the same terms and conditions as a sale to a dealer, distributor, or original equipment manufacturer of the contractor, or any other remarketer;

(3) a subsidiary, affiliate, or parent business organization of the contractor, or any other branch of the same business entity;

(4) an educational institution if the item sold is to be used for educational purposes; or

(5) a customer located outside the United States.

(g) Applicability.—This section does not apply to a contract entered into utilizing simplified small purchase procedures established under section 2304(g) of this title.

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§ 2325. Preference for nondevelopmental items

(a) In General.—

(1) Statement of Procurement Requirements.—The Secretary of Defense shall ensure, that, to the maximum extent practicable—

(A) requirements of the Department of Defense with respect to a procurement of supplies are stated in the broadest possible functional description; and

(B) such requirements are defined so that nondevelopmental items may be procured to fulfill such requirements when such items are adequate to meet the needs of the Department.

(2) Regulations.—The Secretary of Defense shall prescribe regulations to carry out this section.

(b) Definition.—In this section the term "nondevelopmental items" means—

(1) any item of supply, or component of such item, that is available in the commercial marketplace;

(2) any previously-developed item of supply, or component of such item that is in use by a department or agency of the United States, a State or local government, or a foreign government with which the United States has a mutual defense cooperation agreement; or

(3) any item of supply, or component of such item, described in paragraph (1) or (2) that requires only minor modification in order to meet the requirements of the procuring agency.

CHAPTER 139—RESEARCH AND DEVELOPMENT

Sec.

* * * * * * *

2364. Live-fire testing: covered systems, major munitions programs, and missile programs.
2365. Operational testing: certain major defense acquisition programs.

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§ 2364. Live-fire testing: covered systems, major munitions programs, and missile programs

(a) Requirements.—The Secretary of Defense shall provide that—

(1) a contract for production of a covered system may not be entered into until live-fire testing of the system is completed in accordance with this section; and

(2) a contract for production of a major munitions program or a missile program may not be entered into until live-fire testing of the program is completed in accordance with this section.

(b) Director of Live-Fire Testing.—

(1) Appointment.—There is in the Department of Defense a Director of Live-fire Testing. The Director shall be appointed from civilian life by the Secretary of Defense and shall be under the Director of Defense Research and Engineering.

(2) Duties.—The Director shall—

(A) before full-scale engineering development begins with respect to a covered system, major munitions program, or missile program—

(i) review the adequacy of the plan, schedule, and proposed funding of the Secretary of the military department concerned for live-fire testing of that system or program; and

(ii) report to the Director of Defense Research and Engineering on the adequacy or inadequacy of the plan for such live-fire testing and (if the Director of live-fire testing determines that the plan is inadequate) on what would constitute an adequate test plan; and

(B) while such live-fire testing is carried out, continue to review the adequacy and progress of such testing.

(3) Improvement of testing.—(A) The Director shall carry out programs to improve the conduct of live-fire tests by the Department of Defense and shall develop improved methods, instruments, and facilities for such tests.

(B) The Secretary of Defense shall provide to the Director specific funds for the functions of the Director under subparagraph (A).

(4) Oversight of testing.—The Director—

(A) may observe any live-fire test conducted by the Secretary of a military department; and

(B) shall have access to all live-fire test data and reports produced by the Secretary of a military department.

(5) Staff of director.—The Secretary shall provide to the Director an adequate staff to enable the Director to carry out the duties of the Director under this section.

(c) Live-Fire Testing by Service Secretaries.—

(1) In general.—The Secretary of the military department concerned shall carry out live-fire testing of each covered system, major munitions program, or missile program for which the Secretary has responsibility for development and production. Such testing—

(A) shall be planned and funded by that Secretary; and

(B) shall be carried out early enough during the developmental phase of the system or program to allow any design deficiency demonstrated by the testing to be corrected and integrated into the design of the system, munition, or missile before production is begun.

(2) Submission of test plan.—Before full-scale engineering development of the system, munitions program, or missile program is begun (or, in the case of a naval vessel, before contract design is begun), the Secretary concerned shall submit to the Director the plan, schedule, and proposed funding for live-fire testing of the system or program to be carried out by the Secretary.

(3) REPORT TO DIRECTOR.—After such testing is completed, the Secretary concerned shall submit to the Director a report (in both classified and unclassified forms) on the test conducted by the Secretary. Such report shall include—

(A) a complete description of the firing parameters used in the test;

(B) an analysis of the effect on the target of each test shot, with primary emphasis on effect on potential casualties;

(C) a comparison (including a description and justification of the merit and criteria used in carrying out the comparison) of the results of such live-fire test with results of—

(i) any live-fire test of the system, munition, or missile that would be replaced by the system, munition, or missile tested; or

(ii) if there is no system, munition, or missile that would be replaced by the system, munition, or missile tested or if such system, munition, or missile was not subjected to live-fire tests, any live-fire test of the system, munition, or missile that is the nearest competition to the system, munition, or missile tested;

(D) a description of the potential shortcomings of the system, munition, or missile that were revealed by the testing and (if any were revealed) the plan of the Secretary concerned to incorporate into the design of the system, munition, or missile changes that are necessary to overcome such shortcomings and the associated costs; and

(E) a test plan for further live-fire testing to verify that the planned design changes are effective in overcoming such shortcomings.

(4) INDEPENDENT LIVE-FIRE TEST.—If in any case the Director determines that the plan of the Secretary of a military department for a live-fire test is inadequate to determine vulnerability of users of a system or the lethality of a munition or missile, the Director may independently plan and carry out a livefire test of the system, munition, or missile involved. Such testing may be conducted at the same time as, or after, a similar test by the Secretary concerned. Funds for such testing shall be provided from the program budget for the program concerned.

(d) USE OF SURROGATE FOREIGN ROUNDS OR TARGETS.—In the case of a live-fire test of a covered system for which sufficient actual foreign rounds are not available or of a major munitions program or missile program for which sufficient actual foreign targets are not available, the Director—

(1) shall establish plans for obtaining or producing surrogate foreign rounds, or surrogate foreign targets or United States targets, as appropriate;

(2) shall test the realism of such surrogates; and

(3) when required, shall obtain such surrogate rounds or targets.

(e) USE OF SURROGATES FOR TESTING.—In the case of a covered system for which the Director determines that it is extraordinarily expensive to test an actual prototype or production model, the Direc-

tor shall configure or produce realistic surrogates of the system for test purposes.

(f) Report to Under Secretary.—Before production of a covered system, major munitions program, or missile program begins, the Director shall submit to the Director of Defense Research and Engineering a report on each live-fire test conducted with respect to that system or program. The report shall include an analysis of the adequacies and inadequacies of the test and any differences in interpretation of the Director and Secretary concerned of the firing results, and any differences and conclusions. Each such report shall be independent of, and uncoordinated with, the report of the Secretary concerned and shall be submitted in both classified and unclassified forms.

(g) Report to Defense Committees.—At the conclusion of live-fire testing for a covered system, major munitions program, or missile program, the Director shall submit to the defense committees a report on such testing.

(h) Waiver.—The Secretary of Defense may waive the application of this section to a covered system, munitions program, or missile program if the Secretary, before such system or program enters full-scale engineering development, certifies to Congress that live-fire testing of such system or program (even if a surrogate is used as provided in subsection (3)) would be extraordinarily expensive and unnecessary.

(i) Definitions.—In this section:

(1) Covered system.—The term "covered system" means a vehicle, weapon platform, or conventional weapon system—

(A) that includes features designed to provide some degree of protection to users in combat; and

(B) that is a major system within the meaning of that term in section 2302(5) of this title.

(2) Major munitions program.—The term "major munitions program" means—

(A) a munitions program for which more than 1,000,000 rounds are planned to be acquired; or

(B) a conventional munitions program that is a major system within the meaning of that term in section 2302(5) of this title.

(3) Live-fire testing.—The term "live-fire testing" means—

(A) in the case of a covered system, testing for vulnerability and survivability of the system in combat by firing foreign conventional munitions (including all threat munitions that would likely be encountered by the system in combat) at the system configured for combat, with the primary emphasis on testing vulnerability with respect to potential user casualties; and

(B) in the case of a major munitions program or a missile program, testing for lethality by firing the munition or missile concerned at foreign targets configured for combat, including each principal foreign target against which the munition or missile is intended to be used during combat.

(4) Configured for combat.—The term "configured for combat," with respect to a weapon system, platform, or vehicle, means loaded or equipped with all dangerous conventional ma-

terials (including all flammables and explosives) that would normally be on board in combat.

(5) Defense committees.—The term "defense committees" has the meaning given that term in section 2362(e)(3) of this title.

§ 2365. Operational testing: certain major defense acquisition programs

(a) Independent Test and Evaluation by Service Secretaries.—

(1) In general.—The Secretary of the military department concerned shall conduct an independent operational test and evaluation with respect to a major defense acquisition program under which there is to be acquired a conventional weapons system that—

(A) is a major system within the meaning of that term in section 2302(5) of this title; and

(B) is designed for use in combat.

(2) Limitation on production contracts.—(A) An operational test and evaluation required by paragraph (1) shall be conducted before a major defense acquisition program may proceed into the production stage.

(B) A contract for production of a major defense acquisition program may not be entered into until the requirements of this section with respect to such program are fulfilled.

(C) Subparagraph (B) does not apply to a contract for production of weapons systems that are required for operational test and evaluation required by paragraph (1).

(3) Description of independent test and evaluation.—(A) Except as provided in subparagraph (B), an operational test and evaluation is not independent for purposes of this subsection if any person employed by the contractor for the system being tested is involved in any stage of the operational test and evaluation.

(B) This paragraph does not apply to the involvement in an operational test and evaluation of a person employed by the contractor who is involved in depot-level maintenance of the system being tested to the same extent and in the same manner as that person would be involved in such maintenance in time of war.

(b) Side-by-Side Testing.—

(1) In general.—The operational test and evaluation required by subsection (a) shall include a side-by-side test of the system being acquired with equal-cost quantities of—

(A) the system intended to be replaced (if the system being acquired to replace another system); or

(B) the nearest, most effective competitor of the system being acquired (if the system being acquired is not intended to replace another system) that is manufactured in the free world.

(2) Cost of systems.—For purposes of the side-by-side test described in paragraph (1)—

(A) the cost of the system being acquired is the projected program unit cost included in the most recent Selected Acquisition Report with respect to that system; and

(B) the cost of the system intended to be replaced or the competitor system is the cost of acquiring that system.

(c) INDEPENDENT ANALYSIS OF RESULTS OF OPERATIONAL TEST AND EVALUATION.—

(1) IN GENERAL.—The Assistant Secretary for Operational Test and Evaluation shall independently analyze the results of each operational test and evaluation carried out under subsection (a). At the conclusion of that operational test and evaluation, the Assistant Secretary shall submit a report to the Secretary of Defense on that analysis.

(2) INDEPENDENT OPERATIONAL TEST AND EVALUATION.—If in any case the Assistant Secretary determines that the operational test and evaluation carried out under section (a) is inadequate to determine effectiveness, suitability, vulnerability of users, or lethality, the Assistant Secretary may independently plan and carry out an operational test and evaluation of the system involved.

(3) REIMBURSEMENT OF COSTS.—The Secretary of Defense shall provide that costs of the Assistant Secretary incurred incident to operational test and evaluation under paragraph (1) or (2) (as such costs are determiend by the Assistant Secretary) shall be reimbursed to funds available to the Assistant Secretary from funds available for the system concerned.

(d) CONTENT OF REPORTS.—Each report under subsection (c) shall include an analysis of whether the extent and realism of the test and evaluation performed were adequate to assess confidently, in comparison with the system intended to be replaced or the competitor system, each of the following to the extent appropriate with respect to the particular item or component tested:

(1) SURVIVABILITY.—The ability of the system to survive (with primary emphasis on casualties) when hit in a combat situation by weapons likely to be encountered in such a situation.

(2) MAINTAINABILITY.—The ability of military personnel of average skill, operating under the stress of combat, to maintain the system in an operational status.

(3) PROBABILITY OF SYSTEM FAILURE.—The probability of system failure in a combat situation under the maintenance conditions described in paragraph (2).

(4) MOBILITY.—The time required to move, with no prior notice, combat units containing the system in a realistic combat environment over typical deployment distances and battlefield distances.

(5) MANEUVERABILITY.—The maneuverability of the system in a combvat situation with respect to—

(A) survival; and

(B) firing advantage.

(6) EFFECTIVENESS.—The effectiveness of the system as indicated by results of the side-by-side test required in subsection (b)(1).

(e) SUBMISSION OF REPORTS TO DEFENSE COMMITTEES.—Each report of the Assistant Secretary under subsection (c) shall be sub-

mitted to the defense committees in precisely the same form and with precisely the same content as the report originally was submitted to the Secretary and shall be accompanied by such comments as the Secretary of Defense may wish to make on such report.

(f) APPROVAL OF TEST PLANS.—

(1) IN GENERAL.—Operational testing of a major defense acquisition program may not be conducted until the Assistant Secretary approves in writing the adequacy of the plans (including the adequacy of projected levels of funding) for operational test and evaluation to be conducted in connection with that program.

(2) WAITING PERIOD.—(A) A final decision within the Department of Defense to proceed with a major defense acquisition program beyond low-rate initial production may not be made until 15 days of continuous session of Congress expire following after the date that the defense committees receive the report required under subsection (e)

(B) For purposes of subparagraph (A), the continuity of a session of Congress is broken only by an adjournment of Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of such period.

(g) WAIVER.—In time of war or mobilization, the President may suspend the operation of any provision of this section.

(h) DEFINITIONS.—In this section:

(1) MAJOR DEFENSE ACQUISITION PROGRAM.—The term "major defense acquisition program" means a program subject to the Selected Acquisition Report requirements of section 139a of this title.

(2) OPERATIONAL TEST AND EVALUATION.—The term "operational test and evaluation" has the meaning given that term in section 316a(a)(2)(A) of this title.

(3) DEFENSE COMMITTEES.—The term "defense committees" has the meaning given that term in section 2362(e)(3) of this title.

CHAPTER 141—MISCELLANEOUS PROCUREMENT PROVISIONS

Sec.

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[2406. Cost or price management.]

2408. Contractor employees: protection from reprisal for disclosure of certain information.

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[§ 2406. Cost and price management

[(a) In this section:

[(1) "Covered contract" means a contract that is awarded by a defense agency using procedures as defined in chapter 137 of this title and that is subject to the provisions of section 2306(f) of this title, including contracts for full-scale engineering, development, or production.

[(2) "Defense agency" means the Department of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Defense Logistics Agency.

[(b)(1) A defense agency that is responsible for the acquisition of property (including major manufactured end items) or services under a covered contract shall cause to be recorded the contractor's proposed and negotiated cost and pricing data acquired by the agency into appropriate categories. Such categories shall include labor costs, material costs, subcontract costs, general and administrative costs, fee or profit, recurring costs, and noncurring costs.

[(2)(A) A defense agency that is responsible for the acquisition of major manufactured end items under a covered contract shall cause to be recorded the proposed and negotiated bills of labor for labor use by the prime contractor and each associate contractor in manufacturing the item and for labor used by each contractor in performing routine testing relating to the item. The bill of labor relating to the labor used by any such contractor shall reflect such contractor's computation of the work required in manufacturing parts and subassemblies for the end item and in performing routine testing of such parts and subassemblies.

[(B) Each contractor preparing a bill of labor referred to in subparagraph (A) shall specify in the bill of labor the current industrial engineering standard hours of work content (also known as "should-take" times) for the work included in a component of the bill of labor and for the total work included in the bill of labor. The contractor shall base the standard hours of work content specified in the bill of labor on the "fair day's work" concept, as such term is understood in competitive commercial manufacturing industries in the United States. The contractor's standard hours of work content included in the bill of labor may not vary from time standards derived from commercially available predetermined time standard systems widely used in the United States, as determined by the defense agency, subject to verification by audit.

[(C) The head of a defense agency acquiring a bill of labor referred to in subparagraph (A) shall provide for the maintenance of the information relating to standard hours of work content included under subparagraph (B) and shall review such information to determine changes in measured work content as work progresses under the contract to which the bill of labor relates.

[(3) A defense agency that is responsible for the acquisition of major manufactured end items under a covered contract shall cause to be recorded the proposed and negotiated bills of material used by the prime contractor and each associate contractor under the contract in manufacturing the item and of material used by each such contractor in perfoming routine testing relating to the item. The bill of material used by any such contractor shall reflect such contractor's computation of the material required for manufacturing parts and subassemblies for the end item and for routine testing of such parts and subassemblies. The costs set out in the bill of material shall be expressed in current dollars and shall be maintained and received in a manner similar to the manner provided for bills of labor in paragraph (2)(C).

[(4) A defense agency that is responsible for the acquisition of property (including major manufactured end items) or services under a covered contract shall cause to be recorded incurred costs under the contract in the same manner as the defense agency categorizes and records proposed and negotiated costs, including grouping the costs as provided under paragraph (1).

["(c)(1) Nothing in this section shall prohibit a contractor from submitting a request for payment or reimbursement for any bill of labor or any bill of material developed pursuant to an approved system of cost principles and procedures.

["(2) Nothing in this section shall require the submission of the information to be submitted under this section if the contractor does not maintain such information on the date of the enactment of this section.]

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§ 2407. Acquisition of defense equipment under North Atlantic Treaty Organization cooperative projects

(a) * * *

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(g) Nothing in this section shall be construed as authorizing—

(1) the Secretary of Defense to waive any of the financial management responsibilities administered by the Secretary of the Treasury; or

(2) to waive the cargo preference laws of the United States, including [the Military Cargo Preference Act of 1904 (10 U.S.C. 2631) and the Cargo Preference Act of 1954 (46 U.S.C. 1241(b)).] *section 2631 of this title and section 901(b) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1241(b)).*

§ 2408. Contractor employees: protection from reprisal for disclosure of certain information

(a) Prohibition of Reprisals.—(1) A contractor of the Department of Defense may not take a reprisal action against any officer or employee of that contractor for disclosing to an appropriate Government official information relating to a contract (or the negotiation or competition for a contract) between such contractor and the Department of Defense which the officer or employee reasonably believes evidences—

(A) a violation of law, rule, or regulation; or

(B) mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

(2) In this section, the term "appropriate Government official" includes—

(A) an officer or employee of the Department of Defense;

(B) a Member of Congress or an officer or employee of Congress, the General Accounting Office, the Congressional Budget Office, or the Office of Technology Assessment;

(C) any other officer or employee of the United States whose duties include the investigation or enforcement of any law, rule, or regulation relating to defense acquisition; and

(D) a member or employee of any authorized commission established for purposes related to defense acquisition.

(b) REMEDIES.*—(1) An officer or employee of a defense contractor who believes that such officer or employee has been subject to a reprisal prohibited by subsection (a) may file a complaint with the Secretary of Defense.*

(2)(A) Under procedures prescribed by the Secretary of Defense by regulation, the Secretary shall investigate each complaint filed under paragraph (1).

(B) If, after an investigaton under subparagraph (A), the Secretary believes there is a reasonable likelihood that a reprisal prohibited by subsection (a) has occurred, the Secretary shall provide the contractor with an opportunity to show cause why the Secretary should not order corrective action and assess penalties under subparagraph (C).

(C) If, after considering the presentation of the contractor under subparagraph (B), the Secretary finds that a reprisal prohibited by subsection (a) has occurred, the Secretary shall—

(i) order the contractor to take action to eliminate the adverse effect of the reprisal on the complainant; and

(ii) assess a monetary penalty against such contractor.

(D) The Secretary shall impose penalties, which may include monetary fines and debarment from further contracts, against any contractor who fails to comply promptly with an order of the Secretary under subparagraph (C).

(E) The Secretary shall issue a decision on a complaint filed under paragraph (1) within 45 days of receipt of the complaint.

(3)(A) The decision of the Secretary under paragraph (2) shall be a final agency action for purposes of chapter 7 of title 5.

(B) Failure of the Secretary to decide on a complaint within the period provided in paragraph (2)(E) shall be deemed to be final agency action for purposes of chapter 7 of title 5.

(C) In any action brought under chapter 7 of title 5 related to a reprisal under subsection (a), a court may assess against the defense contractor, or against the United States, reasonable attorney fees and other litigation costs reasonably incurred by an officer or employee of the contractor who substantially prevails in such action.

(c) REGULATIONS.*—The Secretary of Defense shall prescribe regulations to carry out this section (other than subsection (b)(3)). Such regulations shall provide that any firm which negotiates with the Department of Defense for a contract or competes for a Department of Defense contract thereby submits to the jurisdiction of the Secretary of Defense for purposes of this section.*

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CHAPTER 142—PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM

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§ 2411. Definitions

In this chapter:

(1) "Eligible entity" means—

(A) a State (as defined in section 6302(5) of title 31);

(B) a local government (as defined in section 6302(2) of title 31); and

(C) a private, nonprofit organization.

(2) "Distressed **[***entity" means an eligible entity (within the meaning of paragraph (1)(B))***]** *"area" means an area that—*

(A) has a per capiata income of 80 percent or less of the State average; or

(B) has an enemployment rate one percent greater than the national average for the most recent 24-month period for which statistics are available.

§ 2413. Cooperative agreements

(a) The Secretary, in accordance with the provisions of this chapter, may enter into cooperative agreements with eligible entities to carry out the purposes of this chapter.

(b) Under any such cooperative agreement, the eligible entity shall agree to furnish procurement technical assistance to business entities and the Secretary shall agree to defray not more than one-half of the eligible entity's cost of furnishing such assistance, except that in the case of an eligible entity that **[***is a distressed entity,***]** *serves a distressed area,*

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CHAPTER 143—PRODUCTION BY MILITARY AGENCIES

Sec.
2421. Plantations and farms: operation, maintenance, and improvement.
2422. Bakery and dairy products: procurement outside the United States.

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§ 2422. Bakery and dairy products: procurement outside the United States

(a) The Secretary of Defense may authorize any element of the Department of Defense that procures bakery and dairy products for use by the armed forces outside the United States to procure any products described in subsection (b) through the use of procedures other than competitive procedures.

(b) The products referred to in subsection (a) are bakery or dairy products produced by the Army and Air Force Exchange Service in a facility outside the United States that began operating before July 1, 1986.

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CHAPTER 147—UTILITIES AND SERVICES

Sec.
2481. Utilities and services: sale; expansion and extension of systems and facilities.

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2486. Commissary stores: merchandise that may be sold; uniform surcharges.
2487. Commissary stores: limitation on release of sales information.
2488. Nonappropriated fund instrumentalities: purchase of alcoholic beverages.

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§ 2486. Commissary stores: merchandise that may be sold; uniform surcharges

(a) Commisssary stores are similar to commercial grocery stores and may sell merchandise similar to that sold in commercial grocery stores.

(b) Merchandise sold in commissary stores may include items in the following categories:

(1) Health and beauty aids.

(2) Meat and poultry.

(3) Fish and seafood.

(4) Produce.

(5) Food and non-food grocery items.

(6) Bakery goods.

(7) Dairy products.

(8) Tobacco products.

(9) Delicatessen items.

(10) Frozen foods.

(11) Other categories designated in regulations prescribed by the Secretary of a military department and approved by the Secretary of Defense.

(c) An adjustment of or surcharge on sales prices in commissary stores under section 2484(b) or 2685(a) of this title or for any other purpose shall be applied as a uniform percentage of the sales price of all merchandise sold in commissary stores.

§ 2487. Commissary stores: limitations on release of sales information

(a) In order to protect commercially valuable information, the Secretary of a military department, except as provided in subsection (b), may not release to the public those portions of computer data generated by electronic scanners used in military commissaries, and those portions of reports generated by such scanners, that contain the following information:

(1) The unit prices of items sold.

(2) The number of units of items sold.

(b) Information subject to subsection (a) may be released under a written agreement. Any such agreement shall require payment for such informatioin and shall specify the amount of such payment.

(c) Amounts received by the United States under an agreement described in subsection (b) with respect to a commissary shall be deposited in the Commissary Trust Revolving Fund of the military department under which the commissary is operated.

§ 2488. Nonappropriated fund instrumentalities: purchase of alcoholic beverages

(a) The Secretary of Defense shall provide that—

(1) covered alcoholic beverage purchases made for resale on a military installation located in the United States shall be made from the most competitive source, price and other factors considered, except that

(2) in the case of malt beverages and wine purchased for resale on a military installation located in the contiguous

States, such purchases shall be made from, and delivery shall be accepted from, a source within the State in which the military installation concerned is located.

(b) If a military installation located in the contiguous States is located in more than one State, a source of supply in any State in which the installation is located shall be considered for the purposes of subsection (a)(2) to be a source within the State in which the installation is located.

(c) In this section:

(1) The term "covered alcoholic beverage purchases" means purchases of alcoholic beverages by a nonappropriated fund instrumentality of the Department of Defense with nonappropriated funds.

(2) The term "State" includes the District of Columbia.

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CHAPTER 151—ISSUE OF SERVICEABLE MATERIAL OTHER THAN TO ARMED FORCES

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§ 2547. Excess nonlethal supplies: humanitarian relief

(a) * * *

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[(b) Excess supplies made available for humanitarian relief purposes under this section shall be transferred to the Secretary of State, who shall be responsible for the distribution of such supplies.]

(b) Excess supplies made available for humanitarian relief purposes under this section shall be transferred—

(1) to the Secretary of State, who shall be responsible for the distribution of such supplies; or

(2) following notification to the Secretary of State, to a component of the Department of Defense which plans to distribute such supplies under otherwise authorized humanitarian and civic assistance programs.

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CHAPTER 155—ACCEPTANCE OF GIFTS AND SERVICES

Sec.
2601. General gift funds.
2602. American National Red Cross: cooperation and assistance.
2603. Acceptance of fellowships, scholarships, or grants.
2604. United Seamen's Service: cooperation and assistance.
2605. Acceptance of gifts for defense dependents' education system.

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§ 2605. Acceptance of gifts for defense dependents' education system

(a) The Secretary of Defense may accept, hold, administer, and spend any gift (including any gift of an interest in real property) made on the condition that it be used in connection with the operation or administration of the defense dependents' education system

provided for under the Defense Dependents' Education Act of 1978 (20 U.S.C. 921 et seq.). The Secretary may pay all necessary expenses in connection with the acceptance of a gift under this subsection.

(b) There is established in the Treasury a fund to be known as the "Department of Defense Dependents' Education Gift Fund". Gifts of money, and the proceeds of the sale of property, received under subsection (a) shall be deposited in the fund. The Secretary may disburse funds deposited under this subsection for the benefit or use of the defense dependent's education system, subject to the terms of the gift.

(c) Subsection (c) of section 2601 of this title applies to property that is accepted under subsection (a) in the same manner that such subsection applies to property that is accepted under subsection (a) of that section.

(d)(1) Upon request of the Secretary of Defense, the Secretary of the Treasury may—

(A) retain money, securities, and the proceeds of the sale of securities, in the Department of Defense Dependents' Education Gift Fund; and

(B) invest money and reinvest the proceeds of the sale of securities in that fund in securities of the United States or in securities guaranteed as to principal and interest by the United States.

(2) The interest and profits accruing from those securities shall be deposited to the credit of the fund and may be disbursed as provided in subsection (b).

(e) In this section, the term "gift" includes a devise of real property or a bequest of personal property.

(f) The Secretary of Defense shall prescribe regulations to carry out this section.

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CHAPTER 157—TRANSPORTATION

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2640. Charter air transportation of members of the armed forces.

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§ 2634. Motor vehicles: for members on change of permanent station

(a) When a member of an armed force is ordered to make a change of permanent station, one motor vehicle that is owned by the member (or a dependent of the member) and is for the personal use of the member or his dependents may, unless a motor vehicle owned by him (or a dependent of his) was transported in advance of that change of permanent station under section 406(h) of title 37, be transported, at the expense of the United States, to his new station or such other place as the Secretary concerned may authorize—

(1) on a vessel owned, leased, or chartered by the United States;

* * * * * * *

(4) [in the case of movement, the major portion of which is by shipping services described in clause (1) or (2), by other surface transportation between customary ports of embarkation and debarkation] *by other surface transportation* if such means of transport does not exceed the cost to the United States of other authorized means.

When the Secretary concerned, [or his designee,] determines that a replacement for that motor vehicle is necessary for reasons beyond the control of the member and is in the interest of the United States, and he approves the transportation in advance, one additional motor vehicle of the member (or a dependent of the member) may be also transported.

(b) [In this section, "change of permanent station" means the transfer or assignment of a member of the armed forces from one permanent station to another. It includes the change from home or from the place from which ordered to active duty to first station upon appointment, call to active duty, enlistment, or induction, and from last duty station to home or to the place from which ordered to active duty upon separation from the service, placement upon the temporary disability retired list, release from active duty, or retirement.] *In this section, the term "change of permanent station" means the transfer or assignment of a member of the armed forces from a permanent station inside the continental United States to a permanent station outside the continental United States or from a permanent station outside the continental United States to another permanent station. It also includes an authorized change in home yard or home port of a vessel.*

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§2640. Charter air transportation of members of the armed forces

(a) REQUIREMENTS.—(1) The secretary of Defense may not enter into a contract with an air carrier for the charter air transportation of members of the armed forces unless the air carrier—

(A) meets, at a minimum, the safety standards established by the Secretary of Transportation under title VI of the Federal Aviation Act of 1958 (49 U.S.C. App. 1421 et seq.);

(B) has at least 12 months of experience operating services in air transportation that are substantially equivalent to the service sought by the Department of Defense; and

(C) undergoes a technical safety evaluation.

(2) For purposes of paragraph (1)(C), a technical safety evaluation—

(A) shall include inspection of a representative number of aircraft; and

(B) shall be conducted in accordance with regulations prescribed by the Secretary, after consultation with the Secretary of Transportation.

(b) INSPECTIONS.—The Secretary shall provide for inspections of each air carrier that contracts with the Department of Defense for the charter air transportation of members of the armed forces. The inspections shall be conducted in accordance with standards established by the Secretary, after consultation with the Secretary of Transportation, and shall include, at a minimum, the following:

(1) An on-site capability survey of the air carrier conducted at least once every two years.

(2) A performance evaluation of the air carrier conducted at least once every six months.

(3) A preflight safety inspection of each aircraft conducted not more than 72 hours before each flight to ensure a high degree of flying safety.

(4) Operational check-rides on aircraft conducted periodically.

(c) COMMERCIAL AIRLIFT REVIEW BOARD.—The Secretary shall establish a Commercial Airlift Review Board within the Department of Defense. The Board shall consist of personnel from the Department of Defense and other Government personnel as may be appropriate. The duties of the Board shall be—

(1) to make recommendations to the Secretary on suspension and reinstatement of air carriers under subsection (d);

(2) to make recommendations to the Secretary on waivers under subsection (g); and

(3) to carry out such other duties and make recommendations on such other matters as the Secretary considers appropriate.

(d) SUSPENSION AND REINSTATEMENT.—(1) The Secretary shall establish guidelines for the suspension of air carriers under contract with the Department of Defense for the charter air transportation of members of the armed forces and for the reinstatement of air carriers that have been so suspended. The guidelines—

(A) shall require the immediate determination of whether to suspend an air carrier if an aircraft of the air carrier is involved in a fatal accident; and

(B) may require the suspension of an air carrier—

(i) if the carrier is in violation of any order, rule, regulation, or standard prescribed under title VI of the Federal Aviation Act of 1958 (49 U.S.C. App. 1421 et seq.); or

(ii) if an aircraft of the air carrier is involved in a serious accident.

(2) The Commercial Airlift Review Board shall make recommendations to the Secretary on suspension and reinstatement under this subsection.

(3) The Secretary shall include in each contract subject to this section the provisions on suspension and reinstatement established under this subsection.

(e) AUTHORITY TO LEAVE UNSAFE AIRCRAFT.—A representative of the Military Airlift Command, the Military Traffic Management Command, or such other agency as may be designated by the Secretary of Defense (or if there is no such representative reasonably available, the senior officer on board a chartered aircraft) may order members of the armed forces to leave a chartered aircraft if the representative (or officer) determines that a condition exists on the aircraft which may endanger the safety of the members.

(f) FAA INFORMATION.—The Secretary shall request the Secretary of Transportation to provide to the Secretary a report on each inspection performed by Federal Aviation Administration personnel, and the status of corrective actions taken, on each aircraft of an air carrier under contract with the Department of Defense for the charter air transportation of members of the armed forces.

(g) WAIVER.—After considering recommendations by the Commercial Airlift Review Board, the Secretary may waive any provisions of this section in an emergency.

(h) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section, including requirements and identification of inspecting personnel with respect to preflight safety inspections required by subsection (b)(3).

(i) DEFINITIONS.—In this section:

(1) The terms "air carrier", "aircraft", "air transportation", and "charter air transportation" have the meanings given such terms by sections 101(3), 101(5), 101(10), and 101(15), respectively, of the Federal Aviation Act of 1958 (49 U.S.C. App. 1301(3), 1301(5), 1301(10), and 1301(15)).

(2) The term "members of the armed forces" means members of the Army, Navy, Air Force, and Marine Corps.

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CHAPTER 159—REAL PROPERTY; RELATED PERSONAL PROPERTY; AND LEASE OF NONEXCESS PROPERTY

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[2690. Restriction on fuel sources for new heating systems.]

2690. Fuel sources for heating systems.

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§ 2672. Acquisition: [interest] *interests* in land when cost is not more than $200,000

(a)(*1*) Subject to subsection (b), the Secretary of a military department may acquire any interest in land that—

(A) [he or his designee] *the Secretary* determines is needed in the interest of national defense; and

(B) does not cost more than $200,000, exclusive of administrative costs and the amounts of any deficiency judgments.

(*2*) This section does not apply to the acquisition, as a part of the same project, of more than one parcel of land unless the parcels are noncontiguous, or, if contiguous, unless the total cost is not more than $200,000.

* * * * * * *

(*C*) The authority to acquire an interest in land under this section includes authority to make surveys and acquire interests in land (including temporary use), by gift, purchase, exchange of land owned by the United States, or otherwise.

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§ 2676. Acquisition: limitation

(a) * * *

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(c)(1) * * *

(2) A land acquisition project may not be placed under contract if, based upon the agreed price for the land or, in the case of land

to be acquired by condemnation, the amount to be deposited with the court as just compensation for the land—

(A) the scope of the acquisition, as approved by Congress, is proposed to be reduced by more than 25 percent; or

(B) [the agreed price for the land or, in the case of land to be acquired by condemnation, the amount to be deposited with the court as just compensation for the land, exceeds the] *the agreed price for the land or, in the case of land to be acquired by condemnation, the amount to be deposited with the court as just compensation for the land, exceeds the* amount appropriated for the project by more than (i) 25 percent, or (ii) 200 percent of the amount specified by law as the maximum amount for a minor military construction project, whichever is lesser,

until subsection (d) is complied with.

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§ 2683. Relinquishment of legislative jurisdiction; minimum drinking age on military installations

(a) * * *

(b) The authority granted by [this] subsection (a) is in addition to and not instead of that granted by any other provision of law.

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[§ 2690. Restriction on fuel sources for new heating systems

[(a) Except as provided in subsection (b), a new heating system that requires a heat input rate of fifty million British thermal units per hour or more and that uses oil or gas (or a derivative of oil or gas) as fuel may not be contructed on lands under the jurisdiction of a military department.

[(b) The Secretary of the military department concerned may waive the provisions of subsection (a) in rare and unusual cases, but such a waiver may not become effective until after the Secretary has notified the appropriate committees of Congress in writing of the waiver.

[(c) The Secretary of the military department concerned may not provide service for a new heating system in increments in order to avoid the prohibition contained in subsection (a).]

§ 2690. Fuel sources for heating systems

(a) The Secretary of the military department concerned shall provide that the primary fuel source to be used in any new heating system constructed on lands under the jurisdiction of the military department is the most cost-effective fuel for that heating system over the life cycle of the system.

(b) The Secretary of Defense shall prescribe regulations for the determination of the life-cycle cost effectiveness of a fuel for the purposes of subsection (a).

(c) In the case of a military installation in the Federal Republic of Germany, the Secretary of the military department concerned shall, where practical, use the German utility system for purposes of heating.

CHAPTER 165—ACCOUNTABILITY AND RESPONSIBILITY

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2780. Debt collection.

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§ 2775. Liability of members assigned to military housing

(a) (1) A member of the armed forces shall be liable to the United States for damage to any family housing unit or unaccompanied personal housing unit, or damage to or loss of any equipment or furnishings of any family-housing unit or unaccompanied personnel housing unit, assigned to or provided such member if [it is determined, under regulations prescribed by the Secretary of Defense and the Secretary of Transportation when the Coast Guard is not operating as a service in the Navy, that the] *(as determined under regulations prescribed by the Secretary of Defense or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy) the* damage or loss was caused by the abuse or negligence of the member (or a dependent of the member) or of a guest of the member (or a dependent of the member).

(b) The Secretary of Defense, and the Secretary of Transportation [when the Coast Guard] *with respect to the Coast Guard when it* is not operating as a service in the Navy, may establish limitations on liability under this section, including (in the case of liability under subsection (a)(1)) different limitations based upon the degree of abuse or negligence involved, and may compromise or waive a claim of the United States under this section.

* * * * * * *

(e) The Secretary of Defense, and the Secretary of Transportation [when the Coast Guard] *with respect to the Coast Guard when it* is not operating as a service in the Navy, shall prescribe regulations to carry out this section. Such regulations shall include—

(1) regulations for determining the cost of repairs and replacements made necessary as the result of abuse or negligence for which a member is liable under subsection (a)(1);

(2) regulations for determining the cost of cleaning made necessary as a result of the failure to clean satisfactorily for which a member is liable under subsection (a)(2); and

(3) provisions for limitations of liability, the compromise or waiver of claims, and the collection of amounts owed under this section.

* * * * * * *

§ 2780. Debt collection

(a)(1) Subject to paragraph (2), the Secretary of Defense shall enter into one or more contracts with a person for collection services to recover indebtedness owed to the United States Government (arising out of activities related to Department of Defense) that is delinquent by more than three months.

(2) The authority of the Secretary to enter into a contract under this section for any fiscal year is subject to the availability of appropriations.

(3) Any such contract shall provide that the person submit to the Secretary a status report on the person's success in collecting such debts at least once each six months. Section 3718 of title 31 shall apply to any such contract, to the extent not inconsistent with this subsection.

(b) The Secretary shall disclose to consumer reporting agencies, in accordance with paragraph (1) of section 3711(f) of title 31, information concerning any debt described in subsection (a) of more than $100 that is delinquent by more than 31 days.

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CHAPTER 169—MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING

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SUBCHAPTER I—MILITARY CONSTRUCTION

Sec.
2801. Scope of chapter, definitions.

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2810. Renovation of facilities.

SUBCHAPTER I—MILITARY CONSTRUCTION

§ 2805. Unspecified minor construction

(a) Within an amount equal to 125 percent of the amount authorized by law for such purpose, the Secretary concerned may carry out minor military construction projects not otherwise authorized by law. A minor military construction project is a military construction project (1) that is for a single undertaking at a military installation, and (2) that has an approved cost equal to or less than [the amount specified by law as the maximum amount for a minor military construction project.] *$1,000,000.*

(b)(1) A minor military construction project costing more than [50 percent of the amount specified by law as the maximum amount for a minor military construction project] *$500,000* may not be carried out under this section unless approved in advance by the Secretary concerned.

* * * * * * *

(c) The Secretary concerned may spend from appropriations available for operation and maintenance amounts necessary to carry out an unspecified military construction project costing not more than [20 percent of the amount specified by law as the maximum amount for a minor military construction project.] *$200,000.*

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§ 2806. Contributions for North Atlantic Treaty Organization Infrastructure

(a) Within amounts authorized by law for such purpose, the Secretary of Defense may make contributions for the United States share of the cost of multilateral programs for the acquisition and construction of military facilities and installations (including international military headquarters) *and for related expenses* for the collective defense of the North Atlantic Treaty Area.

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§ 2807. Architectural and engineering services and construction design

(a) * * *

(b) In the case of architectural and engineering services and construction design to be undertaken under subsection (a) for which the estimated cost exceeds [the maximum amount specified by law for the purposes of this section] *$300,000,* the Secretary concerned shall notify the appropriate committees of Congress of the scope of the proposed project and the estimated cost of such services not less than 21 days before the initial obligation of funds for such services.

* * * * * * *

(d) For study, planning, design, architectural, and engineering services related to military construction and family housing projects, the Secretaries of the military departments may incur obligations for contracts or portions of contracts using military construction and family housing appropriations from different fiscal year to the extent that those appropriations are avilable for obligation.

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§ 2809. Test of long-term facilities contracts

(a)(1) The Secretary concerned may enter into [contracts] *a contract* for the construction, management, and operation of [facilities] *a facility* on or near [military installations] *a military installation* in the United States for the provision of child care services, waste water treatment, or depot supply activities in [cases] *a case* in which the Secretary concerned determines that the [facilities] *facility* can be more efficiently and more economically provided under [long-term contracts] *a long-term contract* than by other appropriate means.

(2) Each contract entered into under [subsection (a)] *this section* shall be awarded through the use of competitive procedures as provided in chapter 137 of this title.

(3) A contract under this section may be for any period not in excess of [twenty] *20* years, excluding the period for construction. A contract under this section shall include a provision that the obligation of the United States to make payments under the contract in any fiscal year is subject to the availability of appropriations for that purpose.

(4) A contract may not be entered into under this section until—

(A) the Secretary concerned submits to the appropriate committees of [the] Congress, in writing, a justification of the need for the facility for which the contract is to be awarded and an economic analysis (based upon accepted life cycle costing procedures) which demonstrates that the proposed contract is cost effective when compared with alternative means of furnishing the same facility; and

(B) a period of 21 calendar days has expired following the date on which the justification and the economic analysis are received by the committees.

(b) Each Secretary concerned may enter into not more than 5 contracts under [the authority of subsection (a) of] this section, other than contracts for child care centers.

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§ 2810. Renovation of facilities

(a) The Secretary concerned may carry out renovation projects that combine maintenance, repair, and minor construction projects for an entire single-purpose facility, or one or more functional areas of a multipurpose facility, using funds available for operations and maintenance.

(b) The amount obligated on such a renovation project may not exceed the maximum amount specified by law for a minor construction project under section 2805 of this title.

(c) Construction of new facilities or additions to existing facilities may not be carried out under the authority of this section.

SUBCHAPTER II—MILITARY FAMILY HOUSING

* * * * * * *

§ 2825. Improvements to family housing units

(a) * * *

(b)(1) Funds may not be expended for the improvement of any single family housing unit, or for the improvement of two or more housing units that are to be converted into or are to be used as a single family housing unit, if the cost per unit of such improvement will exceed [an amount specified by law for such purpose] *$30,000* multiplied by the area construction cost index as developed by the Department of Defense for the location concerned at the time of contract award.

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§ 2828. Leasing of military family housing

(a) * * *

(b)(1) Not more than 10,000 family housing units may be leased at any one time under subsection (a).

(2) Except as provided in paragraph (3), expenditures for the rental of housing units under subsection (a) (including the cost of utilities, maintenance, and operation) may not exceed [the amount specified by law as the maximum annual domestic family housing unit lease amount.] *$10,000.*

(3)(A) Except as provided in subparagraph (B), not more than 500 housing units may be leased under subsection (a) for which the expenditure for the rental of such units (including the cost of utilities, maintenance, and operation) exceeds [the maximum annual domestic family housing unit lease amount but does not exceed 120 percent of that amount.] *$10,000 but does not exceed $12,000.*

* * * * * * *

(e)(1) Expenditures for the rental of family housing in foreign countries (including the costs of utilities, maintenance, and operation) may not exceed [the amount specified by law as the maximum annual foreign family housing unit lease amount.] *$16,800.* That maximum lease amount may be waived by the Secretary concerned with respect to not more than a total of [200] *220* such units that are leased for incumbents of special positions or for personnel assigned to Defense Attache Offices or that are leased in countries where excessive costs of housing would cause undue hardship on Department of Defense personnel.

(2) The maximum number of family housing units that may be leased in foreign countries under this section at any one time [shall be specified by law.] *is 32,000.*

(f) A lease for family housing facilities, or for real property related to family housing facilities, in a foreign country for which the average estimated annual rental during the term of the lease exceeds [the amount specified by law for such purpose] *$250,000* may not be made under this section until (1) the Secretary concerned provides to the appropriate committees of Congress written notification of the facts concerning the proposed lease, and (2) a period of 21 days elapses after the notification is received by those committees.

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SUBCHAPTER III—ADMINISTRATION OF MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING

Sec.
2851. Supervision of military construction projects.

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2860. Availability of appropriations [for five years].

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§ 2859. Transmission of annual military construction authorization request

The Secretary of Defense shall transmit to Congress the annual request for military construction authorization for a fiscal year during the first 10 days after the President transmits to Congress the Budget for that fiscal year pursuant to section 1105 of title 31. *Beginning with fiscal year 1988, the Secretary of Defense shall provide that at least 10 percent of the total amount requested for military construction authorization (excluding the amount requested for military family housing) for a fiscal year shall be requested for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of this title (including the cost of acquisition of land for those facilities).*

§ 2860. Availability of appropriations

Funds appropriated to a military department or [defense agency] *to the Secretary of Defense* for a fiscal year for military construction or military family housing purposes may remain available *for obligation* beyond such fiscal year to the extent provided in [the] appropriation Acts.

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Subtitle B—Army

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PART II—PERSONNEL

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CHAPTER 353—MISCELLANEOUS RIGHTS AND BENEFITS

Sec.
3684. Service credit; regular enlisted members; service as an officer to be counted as enlisted service.

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[3687. Compensation: members of Army other than of Regular Army; when same as that provided for members of Regular Army.]

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[§ 3687. Compensation: members of Army other than of Regular Army; when same as that provided for members of Regular Army

[A member of the Army, other than of the Regular Army, is entitled to the pensions and other compensation provided by law or regulation for a member of the Regular Army of corresponding grade and length of service, whenever—

[(1) he is called or ordered to active duty (other than for training under section 270(b) of this title) for a period of more than 30 days, and is disabled in line of duty from disease while so employed; or

[(2) he is called or ordered to active duty, or to perform inactive-duty training, for any period of time, and is disabled in line of duty, from injury while so employed.

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CHAPTER 355—HOSPITALIZATION

Sec.
[3721. Members of Army, other than of Regular Army.
[3722. Members of C.M.T.C.; members of Army not covered by section 3721 of this title.]
3723. When Secretary may require.

[§ 3721. Members of Army, other than of Regular Army

[A member of the Army, other than of Regular Army, is entitled to the hospital benefits provided by law or regulation for a member of the Regular Army of corresponding grade and length of service, whenever—

[(1) he is called or ordered to active duty (other than for training under section 270(b) of this title) for a period of more than 30 days, and is disabled in line of duty from disease while so employed; or

[(2) he is called or ordered to active duty, or to perform inactive-duty training, for any period of time, and is disabled in line of duty from injury while so employed.

[§ 3722. Members of C.M.T.C.; members of Army not covered by section 3721 of this title

[(a) Under such regulations as the President may prescribe, the following persons are entitled to the benefits of subsection (b):

[(1) Each Reserve of the Army, and each officer who has no regular or reserve appointment and who is injured, or contracts a disease, in line of duty while on active duty in time of peace.

[(2) Each member of the Army Reserve who is injured in line of duty while not on active duty and while voluntarily participating in an aerial flight in the Government-owned aircraft under proper authority and as an incident to training.

[(3) Each person attending a Citizens' Military Training Camp, who is injured, or contracts a disease, in line of duty while traveling to or from, or while attending, a training camp under section 4411 of this title.

[(b) So far as any benefit named in this subsection is not provided for him under section 3721 of this title, any person named in subsection (a) is entitled to—

[(1) the hospitalization, rehospitalization, and medical and surgical care in a hospital and at his home appropriate for the treatment of his injury or disease until the resulting disability cannot be materially improved by further hospitalization or treatment;

[(2) the basic pay and allowances, whether in money or in kind, to which he was entitled at the time when the injury was incurred or the disease contracted, during the period of his hospitalization or rehospitalization, but not for more than a total of six months after the end of his prescribed tour of duty or training;

[(3) subsistence during hospitalization or rehospitalization when he is not entitled to basic pay and allowances under clause (2); and

[(4) necessary transportation incident to his hospitalization, rehospitalization, and return to his home when he is discharged from the hospital.]

§ 3723. When Secretary may require

The Secretary of the Army may order the hospitalization, medical and surgical treatment, and domiciliary care, for as long as necessary, of any member of the Army on active duty, and may incur obligations with respect thereto, whether or not the member [was injured, or contracted a disease,] *incurred an injury, illness, or disease,* in line of duty, except in the case of a member treated in a private hospital, or by a civilian physician while on leave of absence for more than 24 hours.

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PART III—TRAINING

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CHAPTER 401—TRAINING GENERALLY

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§ 4308. Civilian rifle ranges: establishment; instruction

(a) * * *

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(c) The Secretary may provide personnel services (in addition to pay and non-travel related allowances for members of the armed forces) in carrying out the authority of the Secretary under this section and sections 4310 through 4312 of this title.

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§ 4313. National rifle matches and small-arms school: expenses

(a) Competitors at the National Matches under section 4312 of this title may [draw not more than $1.50 a day as a subsistence allowance. If meals are furnished, a sum not to exceed $1.50 per competitor per day may be spent for that purpose while the contest is in progress.] *be paid a subsistence allowance in such amount as the Secretary of the Army shall prescribe.*

(b) A travel allowance [of five cents a mile] *in such amount as the Secretary of the Army shall prescribe* may be paid to a civilian competitor instead of traveling expenses and subsistence while traveling, and the allowance for the return trip may be paid in advance.

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PART IV—SERVICE, SUPPLY, AND PROCUREMENT

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CHAPTER 433—PROCUREMENT

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Sec.

4541. Gratuitous services of officers of the Army Reserve.

4542. Technical data packages for large-caliber cannon: prohibition on transfers to foreign countries; exception.

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§ 4542. Technical data packages for large-caliber cannon: prohibition on transfers to foreign countries; exception

(a) General Rule.—Funds appropriated to the Department of Defense may not be used—

(1) to transfer to a foreign country a technical data package for a defense item being manufactured or developed in an arsenal; or

(2) to assist a foreign country in producing such a defense item.

(b) Exception.—The Secretary of the Army may use funds appropriated to the Department of Defense to transfer a technical data package, or to provide assistance, described in subsection (a) if—

(1) the transfer or provision of assistance is to a friendly foreign country (as determined by the Secretary of Defense in consultation with the Secretary of State);

(2) the Secretary of the Army determines that such action—

(A) would have a clear benefit to the preservation of the production base for the production of cannon at the arsenal concerned; and

(B) would not transfer technology (including production techniques) considered unique to the arsenal concerned; and

(3) the Secretary of Defense enters into an agreement with the country concerned described in subsection (c).

(c) Coproduction Agreements.—An agreement under this subsection shall be in the form of a Government-to-Government Memorandum of Understanding and shall include provisions that—

(1) prescribe the content of the technical data package or assistance to be transferred to the foreign country participating in the agreement;

(2) require that production by the participating foreign country of the defense item to which the technical data package or assistance relates be shared with the arsenal concerned;

(3) subject to such exceptions as may be approved under subsection (d), prohibit transfer by the participating foreign country to a third party or country of—

(A) any defense article, technical data package, technology, or assistance provided by the United States under the agreement; and

(B) any defense article produced by the participating foreign country under the agreement; and

(4) require the Secretary of Defense to monitor compliance with the agreement and the participating foreign country to report periodically to the Secretary of Defense concerning the agreement.

(d) Transfers to Third Parties.—A transfer described in subsection (b)(3) may be made if—

(1) the defense article, technical data package, or technology to be transferred is a product of a cooperative research and development program in which the United States and the participating foreign country were partners; or

(2) the President—

(A) complies with all requirements of section 3(d) of the Arms Export Control Act (22 U.S.C. 2753(d)) with respect to such transfer; and

(B) certifies to Congress, before the transfer, that the transfer would provide a clear benefit to the production base of the United States for large-caliber cannon.

(e) NOTICE AND REPORTS TO CONGRESS.—(1) The Secretary of the Army shall submit to Congress a notice of each agreement entered into under this section.

(2) The Secretary shall submit to Congress a semi-annual report on the operation of this section and of agreements entered into under this section.

(f) ARSENAL DEFINED.—In this section, the term "arsenal" means a Government-owned, Government-operated defense plant that manufactures large-caliber cannon.

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CHAPTER 449—REAL PROPERTY

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§ 4779. Use of public property

(a) When the economy of the Army so requires, the Secretary of the Army shall establish military headquarters in places where suitable buildings are owned by the United States.

[(b) The Secretary shall assign suitable space for postal purposes at each military post where there is a post office.]

[(c)] *(b)* No money appropriated for the support of the Army may be spent for post gardens or Army exchanges. However, this does not prevent Army exchanges from using public buildings or public transportation that, in the opinion of the office or officer designated by the Secretary, are not needed for other purposes.

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Subtitle C—Navy and Marine Corps

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PART I—ORGANIZATION

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CHAPTER 513—BUREAUS; OFFICE OF THE JUDGE ADVOCATE GENERAL; OFFICE OF NAVAL RESEARCH

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§ 5155. Staff corps of the Navy

(a) * * *

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(c) The Secretary of the Navy, whenever the needs of the service require, may convene a selection board under section 611(a) of this title to select an officer in the Nurse Corps or in the Medical Service Corps (if such corps has been established under subsection (a)) for promotion to the grade of [commodore], *rear admiral (lower half)*. An officer promoted pursuant to such a selection shall be appointed by the Secretary to the position of Director of the Nurse Corps or Director of the Medical Service Corps, respectively, for a term of four years, to serve at the pleasure of the Secretary. For the purpose of computing the total number of flag officers in the staff corps of the Navy under section 5444 of this title, an officer so appointed shall be considered an additional number in grade.

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PART II—PERSONNEL

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CHAPTER 533—DISTRIBUTION IN GRADE

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§ 5442. Navy: line officers on active duty[:]*;* rear admirals (lower half) and rear admirals

(a) * * *

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CHAPTER 544—TEMPORARY APPOINTMENTS

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§ 5721. Temporary promotions of certain Navy lieutenants

(a) * * *

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(f) The authority to make appointments under this section terminates on September 30, [1986] *1987*.

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CHAPTER 561—MISCELLANEOUS RIGHTS AND BENEFITS

Sec.
[6141 to 6147. Repealed.]
[6148. Disability and death benefits: Naval Reserve and Marine Corps Reserve.]

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[§ 6148. Disability and death benefits: Naval Reserve and Marine Corps Reserve

[(a) A Member of the Naval Reserve, the Fleet Reserve, the Marine Corps Reserve, or the Fleet Marine Corps Reserve who is ordered to active duty, or to perform inactive-duty training, for any period of time, and is disabled in line of duty from injury while so employed, or the beneficiary of such a member who dies from such an injury, is entitled to the same pension, compensation, death gratuity, and hospital benefits as are provided by law or regulation in the case of a member of the Regular Navy or the Regular Marine

Corps of the same grade and length of service. For the purpose of this subsection, a member who is not in a pay status shall be treated as though he were receiving the pay and allowances to which he would be entitled if serving on active duty.

[(b) A member of the Naval Reserve, the Fleet Reserve, the Marine Corps Reserve, or the Fleet Marine Corps Reserve who is ordered to active duty, other than active duty for training under section 270(b) of this title, for a period of more than 30 days, and is disabled in line of duty from disease while so employed, or the beneficiary of such a member who dies from such a disease, is entitled to the same pension, compensation, death gratuity, and hospital benefits as are provided by law or regulation in the case of a member of the Regular Navy or the Regular Marine Corps of the same grade and length of service.

[(c) Subsections (a) and (b) do not authorize the hospitalization of dependents of members of the Naval Reserve, the Fleet Reserve, the Marine Corps Reserve, or the Fleet Marine Corps Reserve.

[(d) If a person is entitled to benefits under subsection (a) or (b) and under—

[(1) section 6327 of this title; or

[(2) section 331 of title 38;

he must elect the provision that is to be applied to him.]

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PART IV—GENERAL ADMINISTRATION

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CHAPTER 633—NAVAL VESSELS

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Sec.

7310. Policy in constructing combatant vessels.

7311. Repair or maintenance of naval vessels: handling of hazardous waste

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§ 7299a. Construction of combatant and escort vessels and assignment of vessel projects

(a) * * *

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(c) In evaluating bids or proposals for a contract for the overhaul, repair, or maintenance of a navel vessel, the Secretary of the Navy shall, in determining the price of work to be performed in an area outside the area of the homeport of the vessel, consider all costs of performing the work in that area (including costs to the Navy of performing the work in that area that are subject to estimation before contract award).

(d)(1) Notwithstanding subsections (b) and (c), the Secretary may award a contract for short-term work for the overhaul, repair, or maintenance of a navel vessel only to a contractor that is able to perform the work at the homeport of the vessel, if the Secretary determines that adequate competition is available among firms able to perform the work at the homeport of the vessel.

(2) In this subsection, the term "short-term work" means work that will be for a period of six months or less.

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§ 7311. Repair or maintenance of naval vessels: handling of hazardous waste

(a) CONTRACTUAL PROVISIONS.—The Secretary of the Navy shall ensure that a contract entered into for repair or maintenance of a navel vessel includes the following provisions:

(1) IDENTIFICATION OF HAZARDOUS WASTES.—Provisions identifying the type and amounts of hazardous wastes that are expected to be generated during the performance of the repair or maintenance.

(2) COMPENSATION.—Provisions specifying that the contractor shall be compensated under the contract for work performed by the contractor for duties of the contractor specified under paragraph (3).

(3) STATEMENT OF WORK.—Provisions specifying the responsibilities of the Navy and of the contractor, respectively, for the removal, handling, storage, transportation, and disposal of hazardous wastes generated during the performance of the repair or maintenance.

(b) RENEGOTIATION OF CONTRACT.—The Secretary of the Navy shall renegotiate a contract described in subsection (a) if—

(1) the contractor, during the performance of repair or maintenance under the contract, discovers hazardous wastes different in type or amount from those identified in the contract; and

(2) such hazardous wastes originated on the naval vessel on which the repair or maintenance is being performend.

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CHAPTER 645—PROCUREMENT OR SUPPLIES AND SERVICES

Sec.

7521. Progress for work done; lien based on payment.
7522. Contracts for research.
7523. Tolls and fares: payment or reimbursement.
7524. Use of marine mammals for national defense purposes.

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§ 7524. Use of marine mammals for national defense purposes

(a) IN GENERAL.—Notwithstanding the Marine Mammal Protection Act of 1972 (16 U.S.C. 1361 et seq.) and subject to subsection (b), the Secretary of Defense, with the concurrence of the Secretary of Commerce and after consultation with the Marine Mammal Commission established by section 201 of such Act (16 U.S.C. 1401), may authorize the taking of not more than 25 marine mammals each year for national defense purposes. Any mammal taken under this section shall be captured, supervised, cared for, transported, and deployed in a humane manner consistent with conditions established by the Secretary of Commerce.

(b) Restrictions.—A mammal may not be taken under this section if such mammal is determined to be a member of an endangered or threatened species under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533).

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Subtitle D—Air Force

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PART II—PERSONNEL

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CHAPTER 853—MISCELLANEOUS RIGHTS AND BENEFITS

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[8687. Compensation: members of Air Force other than of Regular Air Force; when same as that provided for members of Regular Air Force.]

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[§ 8687. Compensation: members of Air Force other than of Regular Air Force; when same as that provided for members of Regular Air Force

[A member of the Air Force, other than the Regular Air Force, is entitled to the pensions and other compensation provided by law or regulation for a member of the Regular Air Force of corresponding grade and length of service, whenever—

[(1) he is called or ordered to active duty (other than for training under section 270(b) of this title) for a period of more than 30 days, and is disabled in line of duty from disease while so employed; or

[(2) he is called or ordered to active duty, or to perform inactive-duty training, for any period or time, and is disabled in line of duty from injury while so employed.]

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CHAPTER 855—HOSPITALIZATION

Sec.
[8721. Members of Air Force, other than of Regular Air Force.
[8722. Members of C.A.T.C.; members of Air Force not covered by section 8721 of this title.]

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[§ 8721. Members of Air Force, other than of Regular Air Force

[A member of the Air Force, other than of the Regular Air Force, is entitled to the hospital benefits provided by law or regulation for a member of the Regular Air Force of corresponding grade and length of service, whenever—

[(1) he is called or ordered to active duty (other than for training under section 270(b) of this title) for a period of more than 30 days, and is disabled in line of duty from disease while so employed; or

[(2) he is called or ordered to active duty, or to perform inactive-duty training, for any period of time, and is disabled in line of duty from injury while so employed.

[§ 8722. Members of C.A.T.C.; members of Air Force not covered by section 8721 of this title

[(a) Under such regulations as the President may prescribe, the following persons are entitled to the benefits of subsection (b):

[(1) Each Reserve of the Air Force, and each officer who has no regular or reserve appointment, and who is injured, or contracts a disease, in line of duty while on active duty in time of peace.

[(2) Each member of the Air Force Reserve who is injured in line of duty while not on active duty and while voluntarily participating in an aerial flight in a Government-owned aircraft under proper authority and as an incident of training.

[(3) Each person attending a Citizens' Air Training Camp, who is injured, or contracts a disease in line of duty while traveling to or from, or while attending, a training camp under section 9411 of this title.

[(b) So far as any benefit named in this subsection is not provided for him under section 8721 of this title, any person named in subsection (a) is entitled to—

[(1) the hospitalization, rehospitalization, and medical and surgical care in a hospital and at his home appropriate for the treatment of his injury or disease until the resulting disability cannot be materially improved by further hospitalization or treatment;

[(2) the basic pay and allowances, whether in money or in kind, to which he was entitled at the time when the injury was incurred or the disease contracted, during the period of his hospitalization or rehospitalization, but not for more than a total of six months after the end of his prescribed tour of duty or training;

[(3) subsistence during hospitalization or rehospitalization when he is not entitled to basic pay and allowances under clause (2); and

[(4) necessary transportation incident to his hospitalization, rehospitalization, and return to his home when he is discharged from a hospital.]

§ 8723. When Secretary may require

The Secretary of the Air Force may order the hospitalization, medical and surgical treatment, and domiciliary care for as long as necessary, of any member of the Air Force on active duty, and may incur obligations with respect thereto, whether or not the member [was injured, or contracted a disease,] *incurred an injury, illness, or disease,* in line of duty, except in the case of a member treated in a private hospital, or by a civilian physician, while on leave of absence for more than 24 hours.

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PART III—TRAINING

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CHAPTER 909—CIVIL AIR PATROL

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§ 9441. Status: support by Air Force; employment

(a) * * *

(b) To assist the Civil Air Patrol in the fulfillment of its objectives as set forth in section 2 of the Act of July 1, 1946 (36 U.S.C. 202), the Secretary of the Air Force may, under regulations prescribed by him with the approval of the Secretary of Defense—

(1) * * *

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(9) authorize the payment of expenses of placing into serviceable condition [a major item of equipment furnished to the Civil Air Patrol under clause (1)] *major items of equipment (including aircraft, motor vehicles, and communications equipment) owned by the Civil Air Patrol,*

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PART IV—SERVICE, SUPPLY, AND PROCUREMENT

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CHAPTER 949—REAL PROPERTY

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§ 9779. Use of public property

(a) When the economy of the Air Force so requires, the Secretary of the Air Force shall establish military headquarters in places where suitable buildings are owned by the United States.

[(b) The Secretary shall assign suitable space for postal purposes at each air base where there is a post office.]

[(c)] *(b)* No money appropriated for the support of the Air Force may be spent for base gardens or Air Force exchanges. However, this does not prevent Air Force exchanges from using public buildings or public transportation that, in the opinion of the Secretary, are not needed for other purposes.

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SECTION 103 OF THE DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1982

CERTAIN AUTHORITY PROVIDED SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AIRBORNE WARNING AND CONTROL SYSTEM (AWACS) PROGRAM

SEC. 103. (a) During fiscal year [1986,] *1987,* the Secretary of Defense, in carrying out the Multilateral Memorandum of Understanding Between the North Atlantic Treaty Organization (NATO) Ministers of Defense on the NATO E-3A Cooperative Programme, signed by the Secretary of Defense on December 6, 1978, may—

(1) waive reimbursement for the cost of the following functions performed by personnel other than personnel employed in the United States Air Force Airborne Warning and Control System (AWACS) program office:

(A) auditing;
(B) quality assurance;
(C) codification;
(D) inspection;
(E) contract administration;
(F) acceptance testing;
(G) certification services; and
(H) planning, programming, and management services;

(2) waive any surcharge for administrative services otherwise chargeable; and

(3) in connection with the NATO E-3A Cooperative Programme for fiscal year [1986,] *1987,* assume contingent liability for—

(A) program losses resulting from the gross negligence of any contracting officer of the United States;

(B) identifiable taxes, customs duties, and other charges levied within the United States on the program; and

(C) the United States share of the unfunded termination liability.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1986

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[SEC. 8099. None of the funds appropriated by this Act shall be used for the support of any nonappropriated fund activity of the Department of Defense that procures alcoholic beverages with nonappropriated funds for resale (including alcoholic beverages sold by the drink) on a military installation located in the United States, unless such alcoholic beverages are procured in the State, or in the case of the District of Columbia, within the District of Columbia, in which the installation is located: *Provided,* That in a case in which a military installation is located in more than one State, purchases may be made in any State in which the installation is located: *Provided further,* That not later than one year after the date of enactment of this Act, the Secretary shall transmit a report to the Congress concerning the implementation of this section.]

[SEC. 8104. None of the funds available to the Department of the Navy may be used to enter into any contract for the overhaul,

repair, or maintenance of any naval vessel on the West Coast of the United States which includes charges for interport differential as an evaluation factor for award.]

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[SEC. 8110. Of the funds available in the Army Industrial Fund, $25,000,000 shall be available to be sued to implement immediately, or to transfer to another appropriation account in this Act to be used to implement immediately, the program proposed by the Department in its letter of August 30, 1985, from the Assistant Secretary of Defense for Acquisition and Logistics, to rehabilitate and convert current steam generating plants at defense facilities in the United States to coal burning facilities in order to achieve a coal consumption target of 1,600,000 short tons of coal per year above current consumption levels at Department of Defense facilities in the United States by fiscal year 1994: *Provided,* That anthracite or bituminous coal shall be the source of energy at such installations: *Provided further,* That during the implementation of this proposal, the amount of anthracite coal purchased by the Department shall remain at least at the current annual purchase level, 302,000 short tons.]

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DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1985

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TITLE I—PROCUREMENT

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AUTHORIZATION OF APPROPRIATIONS, NAVY AND MARINE CORPS

SEC. 102. (a) * * *

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[(h) DDG–51 DESTROYER PROGRAM.—None of the funds appropriated pursuant to the authorization of appropriations in subsection (c) for the DDG–51 guided missile destroyer program may be obligated or expended until the Secretary of the Navy certifies to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives that the lead ship in that program is capable of being equipped with a Rankine-Cycle Energy Recovery (RACER) system without rearrangement of ship spaces and equipment or other major modification to the ship.]

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PART E—MISCELLANEOUS

WOMEN IN THE ARMED FORCES

SEC. 551. (a) The Secretary of the Air Force shall provide that of all persons originally enlisting in the Regular Air Force during [the period beginning on October 1, 1986, and ending on September 30, 1988—

[(1) not less than 19 percent of those enlisting during fiscal year 1987 shall be women; and

[(2) not less than 22 percent of those enlisting during fiscal year 1988 shall be women] *fiscal year 1988, not less than 22 percent shall be women.*

(b) The Secretary of Defense shall study the propensity of young women to serve in the military and shall submit a report to Congress with the Secretary's review and analysis of that propensity not later than six months after the date of the enactment of this Act.

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TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—BASIC PAY AND ALLOWANCES

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BASIC ALLOWANCE FOR QUARTERS AND VARIABLE HOUSING ALLOWANCE

SEC. 602. (a)(1) * * *

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(2) [During the period beginning on January 1, 1985, and ending on the date on which any change is made by law in any of the rates of basic allowance for quarters for members of the uniformed services prescribed in paragraph (1)] *(A) During the period described in subparagraph (B),* the rate of the basic allowance for quarters authorized by section 403(a)(1) of title 37, United States Code, which is payable to a member of the uniformed services who is entitled to that allowance [on or after January 1, 1985, and before the date of any such change] *during such period,* and who was entitled to that allowance on December 31, 1984, shall not be less than the rate of the basic allowance for quarters that was in effect for that member on December 31, 1984 (unless the member holds a lower grade than he held on that date or has had a change in dependent status from a "with dependents" status to a "without dependents" status).

(B) The period referred to in subparagraph (A) is the period beginning on January 1, 1985, and ending on the effective date of a change made by law in the rates of basic allowance for quarters that increases the rates for such allowance to a level not less than 7 percent greater than the rates in effect on January 1, 1985.

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(f)(1) Except as provided in paragraph (2), the amendments made by this section shall take effect on January 1, 1985.

(2)(A) A member shall be entitled to receive a station housing allowance under section 405 of title 37, United States Code, as if the amendments made by subsection (e) had not been enacted, if the member, on the date of enactment of the Department of Defense Authorization Act, 1986—

(i) is assigned to a permanent duty station in Alaska or Hawaii; and

(ii) is entitled to payment of a temporary lodging allowance or a station housing allowance under section 405 of such title.

(B) A member who is entitled to a station housing allowance by reason of subparagraph (A) shall only be entitled to such allowance until the earlier of—

(i) the date on which the member [departs that station as a result of] *changes residence in conjunction with* a permanent change of duty station; or

(ii) the expiration of the four-year period beginning on the date of the enactment of the Department of Defense Authorization Act, 1986.

(C) [Any member] *A member* who is entitled to a station housing allowance by reason of subparagraph (A) shall not be entitled to a variable housing allowance [under paragraph (1) or (2) of section 403a of such title (as added by subsection (d))], *except that such a member serving an unaccompanied tour of duty in Alaska or Hawaii may be paid a variable housing allowance based on the residence of the member's dependents in another State.*

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PART E—BENEFITS FOR SURVIVORS AND FORMER SPOUSES

ELIMINATION OF CERTAIN SOCIAL SECURITY OFFSETS FROM THE SURVIVOR BENEFIT PLAN

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MISCELLANEOUS RIGHTS AND BENEFITS FOR FORMER SPOUSES

SEC. 645. (a) * * *

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(c) A person who would qualify as a dependent under section 1072(2)(G) of title 10 (as added by subsection (a)) but for the fact that the person's final decree of divorce, dissolution, or annulment is dated on or after April 1, 1985, shall be considered to be a dependent under such section [during the two-year period] *until the later of (1) April 1, 1988, and (2) the last day of the two-year period* beginning on the date of such final decree.

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TITLE XII—PROCUREMENT POLICY REFORM AND OTHER PROCUREMENT MATTERS

PART A—SHORT TITLE AND CONGRESSIONAL FINDINGS

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CONGRESSIONAL FINDINGS AND POLICY

SEC. 1202. The Congress finds that recent disclosures of excessive payments by the Department of Defense for replenishment parts have undermined confidence by the public and Congress in the defense procurement system. The secretary of Defense should make every effort to reform procurement practices relating to replenishment parts. Such efforts should, among other matters, be directed to the elimination of excessive pricing of replenishment spare parts and the recovery of unjustified payments. Specifically, the Secretary should—

(1) * * *

* * * * * * *

(4) direct that standard or commercial parts be used whenever such use is technically acceptable and cost effective; *and*

(5) vigorously continue reexamination of policies relating to acquisition, pricing, and management of replenishment parts and of technical data related to such parts[; and].

[(6) ensure that persons that have developed products or processes offered or to be offered for sale to the public are not required, as a condition for the procurement of such products or processes by the Department of Defense to provide to the United States technical data relating to the design, development, or manufacture of such products or processes (except for such data as may be necessary for the Untied States to operate and maintain the product or use the process if obtained by the United States as an element of performance under the contract).]

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TITLE XV—GENERAL PROVISIONS

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PART D—MISCELLANEOUS DEFENSE-RELATED MATTERS

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AUTHORIZATION FOR SECRETARY OF DEFENSE TO TRANSPORT HUMANITARIAN RELIEF SUPPLIES TO FOREIGN COUNTRIES

SEC. 1540.(a) Notwithstanding any other provision of law, during [fiscal years 1985 and 1986] *fiscal year 1987*, the Secretary of Defense may transport on a space available basis, at no charge, to any country in any area of the world goods and supplies which have been furnished by a nongovernmental source and which are intended for humanitarian assistance.

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(f) There is hereby authorized to be appropriated to the Secretary of Defense for fiscal year 1987 the sum of $3,000,000 to carry out this section.

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TITLE 37, UNITED STATES CODE

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CHAPTER 3—BASIC PAY

* * * * * * *

§ 204. Entitlement

(a) * * *

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[(g) A member of the Army or the Air Force (other than of the Regular Army or the Regular Air Force) is entitled to the pay and allowances provided by law or regulation for a member of the Regular Army or the Regular Air Force, as the case may be, of corresponding grade and length of service, whenever—

[(1) he is called or ordered to active duty (other than for training under section 270(b) of title 10) for a period of more than 30 days, and is disabled in line of duty from disease while so employed; or

[(2) he is called or ordered to active duty, or to perform inactive-duty training, for any period of time, and is disabled in line of duty from injury while so employed.

[(h) A member of the National Guard is entitled to the pay and allowances provided by law or regulation for a member of the Regular Army or the Regular Air Force, as the case may be, of corresponding grade and length of service, whenever he is called or ordered to perform training under section 502, 503, 504, or 505 of title 32—

[(1) for a period of more than 30 days, and is disabled in line of duty from disease while so employed; or

[(2) for any period of time, and is disabled in line of duty from injury while so employed]

(g) A member of a reserve component of a uniformed service is entitled to the pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service whenever such member—

(1) is called or ordered to active duty for a period of more than 30 days; and

(2) is physically disabled in line of duty from injury, illness, or disease.

(h)(1) A member of a reserve component of a uniformed service is entitled, upon request, to a portion of the monthly pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service for each month for which the member demonstrates a loss of income from non-military compensation as a result of an injury, illness, or disease incurred or aggravated—

(A) in line of duty while performing active duty for a period of 30 days or less;

(B) in line of duty while performing inactive-duty training (other than work or study in connection with a correspondence course of an armed force or attendance in an inactive status at

an educational institution under the sponsorship of an armed force or the Public Health Service); or

(C) while traveling directly to or from that duty or training.

(2)(A) Subject to subparagraphs (B) and (C), pay and allowances paid under paragraph (1) shall be in an amount which offsets the loss of income from non-military compensation.

(B) Pay and allowances may not be paid under paragraph (1) to a member who is enrolled in any other income protection insurance plan to the extent that such payment would result in total benefits to the member of more than the demonstrated loss of income from non-military compensation.

(C) The total amount of pay and allowances paid under paragraph (1) and compensation paid under section 206(a) of this title for any period may not exceed the amount of pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service for that period.

(3) Pay and allowances may be paid under paragraph (1)—

(A) for a period of not more than six months; or

(B) for a longer period, if the Secretary concerned determines that it is in the interests of fairness and equity to do so.

(4) A member is not entitled to benefits under this subsection if the injury, illness, disease, or aggravation of an injury, illness, or disease described in paragraph (1)(B) is the result of the gross misconduct of the member.

(5) Regulations with respect to procedures for paying pay and allowances under paragraph (1) shall be prescribed—

(A) by the Secretary of Defense for the armed forces under the jurisdiction of the Secretary; and

(B) by the Secretary of Transportation for the Coast Guard when the Coast Guard is not operating as a service in the Navy.

[(i) A member of the Naval Reserve, Fleet Reserve, Marine Corps Reserve, Fleet Marine Corps Reserve, or Coast Guard Reserve is entitled to the pay and allowances provided by law or regulation for a member of the Regular Navy, Regular Marine Corps, or Regular Coast Guard, as the case may be, of corresponding grade and length of service, under the same conditions as those described in classes (1) and (2) of subsection (g) of this section.**]**

[(j)**]** *(i)* A member of the uniformed services who is entitled to medical or dental care under section 1074a of title 10 is entitled to travel and transportation allowances, or monetary allowance in place thereof, for necessary travel incident to such care, and return to his home upon discharge from treatment.

* * * * * * *

§ 206. Reserves; members of National Guard: inactive-duty training

(a) Under regulations prescribed by the Secretary concerned, and to the extent provided for by appropriations, a member of the National Guard or a member of reserve component of a uniformed service who is not entitled to basic pay under section 204 of this title, is entitled to compensation, at the rate of 1/30 of the basic pay authorized for a member of a uniformed service of a corresponding grade [entitled to basic pay, for each regular period of instruction, or period of appropriate duty, at which he is engaged for at least two hours, including that performed on a Sunday or holiday, or for the performance of such other equivalent training, instruction, duty, or appropriate duties, as the Secretary may prescribe] *entitled to basic pay—*

(1) for each regular period of instruction, or period of appropriate duty, at which the member is engaged for at least two hours, including that performed on a Sunday or holiday;

(2) for the performance of such other equivalent training, instruction, duty, or appropriate duties, as the Secretary may prescribe; or

(3) for a regular period of instruction that the member is scheduled to perform but is unable to perform because of physical disability resulting from an injury, illness, or disease incurred or aggravated—

(A) in line of duty while performing—

(i) active duty for a period of 30 days or less; or

(ii) inactive-duty training; or

(B) while traveling directly to or from that duty or training (unless such injury, illness, disease, or aggravation of an injury, illness, or disease is the result of the gross negligence or misconduct of the member).

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§ 301b. Special pay: aviation career offices extending period of active duty

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(e)(1) * * *

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[(4) An officer may not receive incentive pay under section 301 of this title for the performance of hazardous duty for any period of service which the officer is obligated to serve pursuant to an agreement entered into under this section.]

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§ 302. Special pay: medical officers of the armed forces

(a)(1) * * *

* * * * * * *

(h)(1) Any reserve officer who is an officer of the Medical Corps of the Army or the Navy or an officer of the Air Force designated as a medical officer—

(A) who has served on active duty as a medical officer for not less than one year; and

[(B) Who is on active duty under a call or order to active duty for a period of not less than one year;]

(B) who is on active duty under a call or order to active duty for a period of less than one year;

is entitled to special pay in accordance with this subsection.

(2) An officer described in [paragraph (1) of this subsection] *subsection (c)(2) or (f) of this section* is entitled to special pay at the rate of—

(A) $100 a month for each month of active duty, if he has not completed two years of active duty; or

(B) $350 a month for each month of active duty, if he has completed at least two years of active duty.

CHAPTER 5—SPECIAL AND INCENTIVE PAYS

308i. Special pay: prior service enlistment bonus.

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§ 301. Incentive pay: hazardous duty

(a) Subject to regulations prescribed by the President, a member of a uniformed service who is entitled to basic pay is also entitled to incentive pay, in the amount set forth in subsection (b) or (c) of this section, for the performance of hazardous duty required by orders. For the purposes of this subsection, "hazardous duty" means duty—

[(1) as a crew member, as determined by the Secretary concerned, involving frequent and regular participation in aerial flight;]

(1) involving frequent and regular participation in aerial flight as a crew member, as determined by the Secretary concerned, except for a member who is entitled to incentive pay under section 301a of this title;

CHAPTER 7—ALLOWANCES

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431. Travel and transportation: members escorting certain dependents.

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§ 404. Travel and transportation allowances: general

(a) * * *

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(d) (1) The travel and transportation allowances authorized for each kind of travel may not be more than one of the following:

(A) Transportation in kind, reimbursement therefor, or, under regulations prescribed by the Secretaries concerned, when travel by privately-owned conveyance is authorized or approved as more advantageous to the Government, a monetary allowance in place of the cost of transportation, at the rates provided in section 5704 of title 5, based on distances established over the shortest usually traveled route, under mileage tables prepared under the direction of the Secretary of the Army.

(B) Transportation in kind, reimbursement therefor, or a monetary allowance as provided in subparagraph (A) of this paragraph, plus a [per diem in place of subsistence in an amount not more than $50 determined by the Secretaries concerned to be sufficient] *payment in lieu of subsistence as pro-*

vided in paragraph (2) of this subsection in an amount sufficient to meet normal and necessary expenses in the area to which travel is [to be] performed.

(C) A mileage allowance at a rate per mile prescribed by the Secretaries concerned and based on distances established under clause (1) of this [subsection] *subparagraph (A) of this paragraph.*

[(2) Under regulations prescribed by the Secretaries concerned, when either travel is to an area designated as a high cost area in those regulations or the per diem of paragraph (1)(B) of this subsection is less than the amount of the actual and necessary expenses required by the unusual circumstances of the travel assignment, reimbursement may be authorized for actual and necessary expenses, but not for more than $75 for each day in a travel status.]

(2) Under regulations prescribed by the Secretaries concerned, a member of a uniformed service entitled to travel and transportation allowances under subsection (a) of this section is entitled to any of the following:

(A) A per diem allowance at a rate not to exceed that established by the Secretaries concerned.

(B) Reimbursement for the actual and necessary expenses of official travel not to exceed an amount established by the Secretaries concerned.

(C) A combination of payments described in subparagraphs (A) and (B) of this paragraph.

(3) A per diem allowance or maximum amount of reimbursement established for purposes of paragraph (2) of this subsection shall be established, to the extent feasible, by locality.

(4) For travel consuming less than a full day, the payment prescribed by regulation under paragraph (2) of this subsection shall be allocated in such manner as the Secretaries concerned prescribe.

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[§ 405a. Travel and transportation allowances: evacuation allowances]

§ 405a. Travel and transportation allowances: departure allowances

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§ 406. Travel and transportation allowance: dependents; baggage and household effects

(a)(1) * * *

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(e) When orders directing a change of permanent station for the member concerned have not been issued, or when they have been issued but cannot be used as authority for the transportation of his dependents, baggage, and household effects, the Secretaries concerned may authorize the movement of the dependents, baggage, and household effects and prescribe transportation in kind, reimbursement therefor, or a monetary allowance in place thereof [, as the case may be,] *(as the case may be), plus a per diem,* as authorized under subsection (a) or (b) of this section. This subsection may be used only under unusual or emergency circumstances, including those in which—

(1) the member is performing duty at a place designated by the Secretary concerned as being within a zone from which dependents should be evacuated;

(2) orders which direct the members' travel in connection with temporary duty do not provide for return to the permanent station or do not specify or imply any limit to the period of absence from his permanent station; or

(3) the member is serving on permanent duty at a station outside the United States, in Hawaii or Alaska, or on sea duty.

(f) Under regulations, prescribed by the Secretary concerned, transportation for dependents, baggage, and household effects of a member, *plus a per diem for the member's dependents,* is authorized if he dies while entitled to basic pay under chapter 3 of this title.

(g)(1) Under uniform regulations prescribed by the Secretaries concerned, a member who—

(A) is retired, or is placed on the temporary disability retired list, under chapter 61 of title 10; or

(B) is retired with pay under any other law, or, immediately following at least eight years of continuous active duty with no single break therein of more than 90 days, is discharged with separation pay or severance pay or is involuntarily released from active duty with separation pay or readjustment pay;

is, not later than one year from the date he is so retired, placed on that list, discharged, or released, except as prescribed in regulations by the Secretaries concerned, entitled to transportation for his dependents, baggage, and household effects to the home selected under section 404(c) of this title, *and to a per diem for his dependents.* In addition, baggage and household effects may be shipped to a location other than the home selected by the member.

* * * * * * *

(h) * * *

(1) authorize the movement of the member's dependents, baggage and household effects at that station to an appropriate location in the United States or its possessions and prescribe transportation in kind, reimbursement therefor, or a monetary allowance in place there[, as the case may be,] *(as the case may be), plus a per diem,* as authorized under subsection (a) or (b) of this section; and

(2) authorize the transportation of one motor vehicle that is owned by the member (or a dependent of the member) and is for the personal use of the member or his dependents to that * * *

* * * * * * *

(j) A member traveling under orders who is relieved from a duty station is entitled to transportation for his dependents, baggage, and household effects *plus a per diem for the member's dependents,* arrive at their destination. Appropriations of the Department of Defense available for travel or transportation that are current when the member is relieved may be used to pay for the transportation.

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§ 427. Family separation allowance

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(b)*(1)* Except in time of war or of national emergency hereafter declared by Congress, and in addition to any allowance or per diem to which he otherwise may be entitled under this title, including subsection (a) of this section, a member of a uniformed service with dependents is entitled to a monthly allowance equal to $60 if—

[(1)**]***(A)* the movement of his dependents to his permanent station or a place near that station is not authorized at the expense of the United States under section 406 of this title and his dependents do not reside at or near that station;

[(2)**]***(B)* he is on duty on board a ship away from the home port of the ship for a continuous period of more than 30 days; or

[(3)**]***(C)* he is on temporary duty away from his permanent station for a continuous period of more than 30 days and his dependents do not reside at or near his temporary duty station.

(2) A member who becomes entitled to an allowance under this subsection by virtue of duty prescribed in **[**clause (2) or (3)**]** *subparagraph (B) or (C) of paragraph (1)* for a continuous period of more than 30 days is entitled to the allowance effective as of the first day of that period. An allowance is payable under this subsection even though the member does not maintain for his primary dependents who would otherwise normally reside with him, a residence or household, subject to his management and control, which he is likely to share with them as a common household when his duty assignments permits.

(3) A member who elects to serve a tour of duty unaccompanied by his dependents at a permanent station to which the movement of his dependents is authorized at the expense of the United States under section 406 of this title is not entitled to an allowance under this subsection. The Secretary concerned may waive the preceding sentence in situations in which it would be inequitable to deny the allowance to the member because of unusual family or operational circumstances.

* * * * * * *

§ 431. Travel and transportation: members escorting certain dependents

(a) Under regulations prescribed by the Secretary concerned, a member of a uniformed service may be provided round trip transportation and travel allowances for travel performed or to be performed under competent orders as an escort for the member's dependent when travel by the dependent is authorized by competent authority and the dependent is incapable of traveling alone because of age, mental or physical incapacity, or other extraordinary circumstances.

(b) Whenever possible, the Military Airlift Command or Military Sealift Command shall be used, on a space-required basis, for the travel authorized by this section.

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CHAPTER 19—ADMINISTRATION

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§ 1006. Advance payments

(a) * * *

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(j) Under regulations prescribed by the Secretary concerned, not more than one month's pay may be paid in advance to a member of the Senior Reserve Officers' Training Corps who is ordered to field training or a practice required under section 2109 of title 10.

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TITLE 32, UNITED STATES CODE

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CHAPTER 3—PERSONNEL

Sec.
301. Federal recognition of enlisted members.
302. Enlistments, reenlistments, and extensions.
303. Active and inactive enlistments and transfers.
304. Enlistment oath.
305. Federal recognition of commissioned officers; persons eligible.
307. Federal recognition of officers: examination; certificate of eligibility.
308. Federal recognition of officers: temporary recognition.
309. Federal recognition of officers: Army National Guard; officers promoted to fill vacancies.
310. Federal recognition of officers: Army National Guard; automatic recognition.
312. Appointment oath.
313. Appointments and entlistments: age limitations.
314. Adjutants general.
315. Detail of regular members of Army and Air Force to duty with National Guard.
316. Detail of members of Army National Guard for rifle instruction of civilians.
317. Command during joint exercises with Federal troops.
[318. Compensation for disablement during training.
[319. Compensation for disablement during training when not covered by section 318 of this title.
[320. Hospitalization: when Secretary may require.
[321. Death gratuity.]
322. Discharge of enlisted members.
323. Withdrawal of Federal recognition.
324. Discharge of officers; termination of appointment.
325. Relief from National Guard duty when ordered to active duty.
326. Courts-martial of National Guard not in Federal service: composition, jurisdiction, and procedures.
327. General courts-martial of National Guard not in Federal service.
328. Special courts-martial of National Guard not in Federal service.
329. Summary courts-martial of National Guard not in Federal service.
330. Confinement instead of fine.
331. Dismissal or dishonorable discharge.
332. Compelling attendance of accused and witnesses.

333. Execution of process and sentence.
[334. Repealed.]

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[§ 318. Compensation for disablement during training

[A member of the National Guard is entitled to the hospital benefits, pensions, and other compensation provided by law or regulation for a member of the Regular Army or the Regular Air Force, as the case may be, of corresponding grade and length of service, whenever he is called or ordered to perform training under section 502, 503, 504, or 505 of this title—

[(1) for a period of more than 30 days, and is disabled in line of duty from disease while so employed; or

[(2) for any period of time, and is disabled in line of duty from injury while so employed.

[§ 319. Compensation for disablement during training when not covered by section 318 of this title

[(a) Under regulations to be prescribed by the President, a member of the National Guard—

[(1) who is injured, or contracts a disease, in line of duty while traveling to or from, or while attending, an encampment, maneuver, or other exercise, or a service school, under section 503, 504, or 505 of this title; or

[(2) who is injured in line of duty while performing an aerial flight;

is entitled to the benefits of subsection (b).

[(b) So far as any benefit named in this subsection is not provided for him under section 318 of this title, a member covered by subsection (a) is entitled to—

[(1) the hospitalization, rehospitalization, and medical and surgical care in a hospital and at his home appropriate for the treatment of his injury or disease until the resulting disability cannot be materially improved by further hospitalization or treatment;

[(2) the basic pay and allowances, whether in money or in kind, to which he was entitled at the time when the injury was incurred or the disease contracted, during the period of his hospitalization or rehospitalization, but not for more than a total of six months after the end of his prescribed tour of training;

[(3) subsistence during hospitalization or rehospitalization when he is not entitled to pay and allowances under clause (2); and

[(4) necessary transportation incident to his hospitalization, rehospitalization, and return to his home when he is discharged from the hospital.

[§ 320. Hospitalization: when Secretary may require

[(a) The Secretary of the Army or the Secretary of the Air Force, as the case may be, may order the hospitalization, medical and surgical treatment, and domiciliary care, for as long as necessary, of any member of the Army National Guard or the Air National Guard, respectively, in training under section 502, 503, 504, or 505 of this title, or on duty under section 316 of this title, and may incur obligations with respect thereto.

[(b) Subsection (a) applies whether or not the member was injured, or contracted a disease, in line of duty, except in the case of—

[(1) a member of the National Guard in armory-drill status, unless he incurs an injury while participating in an aerial flight under section 502(e) of this title; or

[(2) a member of the National Guard treated in a private hospital, or by a civilian physician, while on leave of absence for more than 24 hours.

[§ 321. Death gratuity

[(a) Except as provided in subsection (h), the Secretary of the Army or the Secretary of the Air Force, as the case may be, shall have a death gratuity paid to or for the survivor prescribed by subsection (e) immediately upon receiving official notification of the death of a member of the National Guard who—

[(1) dies while performing full-time training or duty under section 316, 502, 503, 504, or 505 of this title or while performing authorized travel to or from that training or duty;

[(2) dies while performing other training or duty under one of those sections or under section 206 of title 37; or

[(3) when authorized or required by an authority designated by the Secretary concerned, assumed an obligation to perform training or duty under one of those sections or under section 206 of title 37 (other than work or study in connection with a correspondence course of an armed force or attendance, in an inactive status, at an educational institution under the sponsorship of an armed force of the Public Health Service), and who dies from an injury incurred by him after December 31, 1956, while traveling directly to or from that training or duty.

[(b) Except as provided in subsection (h), the Secretary of the Army or the Secretary of the Air Force, as the case may be, shall have a death gratuity paid to or for the survivor prescribed by subsection (e) of each member of the National Guard who dies within 120 days after his discharge or release from—

[(1) full-time training or duty under section 316, 502, 503, 504, or 505 of this title; or

[(2) other training or duty performed under one of those sections or under section 206 of title 37 (other than work or study in connection with a correspondence course of an armed force or attendance, in an inactive status, at an educational institution under the sponsorship of an armed force or the Public Health Service);

if the Administrator of Veterans' Affairs determines that the death resulted from (A) disease or injury incurred or aggravated while performing training or duty under clause (1) or the travel described in subsection (c), or (B) injury incurred or aggravated while performing training or duty under clause (2) or the travel described in subsection (c)(2).

[(c) The travel covered by subsection (b) is—

[(1) authorized travel to or from the training or duty described in subsection (b)(1); or

[(2) travel directly to or from the training or duty described in subsection (b)(1) or (2) that is performed by a member of the National Guard who, when authorized or required by an authority designated by the Secretary concerned, assumed an obligation to perform that training or duty, and whose injury was incurred or aggravated after December 31, 1956.

[(d) For the purposes of subsections (b) and (c), the standards and procedures for determining the incurrence or aggravation of a disease or injury are those applicable under the laws relating to disability compensation administered by the Veterans' Administration, except that there is no requirement under this section that any incurrence or aggravation have been in line of duty.

[(e) A death gratuity payable upon the death of a person covered by subsections (a)–(d) shall be paid to or for the living survivor named in section 1477 of tile 10, except that references in that section to section 1475 or 1476 shall be treated as references to subsection (a) or subsections (b)–(d) of this section, as the case may be.

[(f) The death gratuity payable under this section shall be equal to 6 months' pay at the rate to which the decedent was entitled on the date of his death, except that the gratuity may not be less than $800 or more than $3,000. For this purpose:

[(1) A person covered by subsection (a), (b), or (c) is considered to have been entitled, on the date of his death, to pay at the rate to which he was entitled on the last day on which he performed training or duty.

[(2) A person covered by subsection (a), (b), or (c) who performed training or duty without pay is considered to have been performing that training or duty with pay.

[(3) A person covered by subsection (a), (b), or (c) who incurred a disability while performing training or duty under section 316, 502, 503, 504, or 505 of this title or under section 206 of title 37 and who became entitled to basic pay while receiving hospital or medical care, including outpatient care, for that disability, is considered to have been on that training or duty for as long as he is entitled to that pay.

[(g) The Secretary of the Army, the Secretary of the Air Force, and the Administrator of Veterans' Affairs have the same obligations with respect to payments under subsection (a), (b), and (c) as they have under sections 1479 and 1480(c) of title 10.

[(h) Payments under this section are subject to the restrictions that section 1480(a), (b), and (d) of title 10 imposes on payments under sections 1475–1477 of that title.]

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TITLE 14, UNITED STATES CODE

COAST GUARD

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PART I—REGULAR COAST GUARD

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CHAPTER 11—PERSONNEL

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§ 256. Promotion zones

(a) * * *

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(b) Promotion zones from which officers will be selected for promotion to the grade of [commodore] *rear admiral (lower half)* shall be established by the Secretary as the needs of the service require.

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§ 288. Regular captains; retirement

(a) Each officer of the Regular Coast Guard serving in the grade of captain whose name is not carried on an approved list of officers selected for promotion to the grade [commodore] *rear admiral (lower half)* shall, unless retired under some other provision of law, be retired on June 30 of the promotion year in which he, or any captain junior to him on the active duty promotion list who has not lost numbers or precedence, completes thirty years of active commissioned service in the Coast Guard. An officer advanced in precedence on the active duty promotion list because of his promotion resulting from selection for promotion from below the zone is not subject to involuntary retirement under this section earlier than if he had not been selected from below the zone.

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DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

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TITLE III—OPERATION AND MAINTENANCE

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SEC. 305 AUTHORIZATION OF APPROPRIATIONS FOR TRANSPORTATION OF HUMANITARIAN RELIEF SUPPLIES TO AFGHAN REFUGEES

(a) AUTHORIZATION OF FUNDS.—There is hereby authorized to be appropriated to the Department of Defense for fiscal year 1986 the sum of $10,000,000 [for the purpose of] *and for fiscal year 1987 the sum of $3,000,000 for the purposes of (1)* providing transportation for humanitarian relief for persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union, *(2) paying administrative costs of providing such transportation, and (3) providing for the acquisition of transportation assets for the distribution of supplies as part of such relief.*

* * * * * * *

(d) *Availability of Funds.—Amounts appropriated pursuant to the authorization in subsection (a) shall remain available until expended, if so privided in appropriation Acts.*

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TITLE V—DEFENSE PERSONNEL POLICY

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SEC. 522. RETENTION UNTIL AGE 60 OF RESERVE CIVILIAN TECHNICIANS.

(a) Army.—(1) * * *

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(2) Section **[**3851(c)**]** *3851(d)* of such title, relating to reserve component officers of the Army who may be removed from an active status after completing 30 years of service, is amended to read as follows:

"**[**(c)**]** *(d)* Notwithstanding subsections (a) and (b), the Secretary of the Army may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

"(1) is an officer of the Army National Guard of the United States assigned to a headquarters or headquarters detachment of a State or territory, the Commonwealth of Puerto Rico, the Canal Zone, or the District of Columbia: or

"(2) is employed—

"(A) as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or

"(B) as a technician of the Army Reserve in a position for which membership in the Army Reserve is required as a condition of employment."

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TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

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Part C—Bonuses and Special and Incentive Pays

Subpart 1—Active Forces

* * * * * * *

SEC. 639. REVISION OF SPECIAL PAY FOR DENTAL OFFICERS.

(a) In General.—Section 302b of title 37, United States Code, is amended to read as follows:

"§ 302b. Special pay: dental officers of the armed forces

"(a)(1) An officer who—* * *

* * * * * * *

(d) Save Pay.—(1) An officer described in paragraph (2) who, after September 30, 1985, is entitled to special pay under section 302b of title 37, United States Code (as amended by subsection (a)), [shall be entitled to such pay in an annual amount that is not less than] *may (notwithstanding the provisions of such section and in the discretion of the Secretary concerned) be paid such pay, in order to prevent inequities, in an annual amount equal to* the total annual amount of dental continuation pay under section 311 of title 37, United States Code, and special pay for dental officers under section 302b of that title to which that officer [was entitled on September 30, 1985.] *would have been entitled on September 30, 1985, in accordance with the status of the officer (as determined by the Secretary concerned) during the period for which the pay is paid. Notwithstanding the preceding sentence, an officer may not be paid special pay by reason of this paragraph in an amount greater than the amount of special pay to which the officer was entitled under such sections on September 30, 1985.*

* * * * * * *

(2) Paragraph (1) applies to an officer who on September 30, 1985, is entitled to dental continuation pay under section 311 of title 37, United States Code; or to special pay for dental officers under section 302b of that title.

TITLE VII—SURVIVOR BENEFIT PLAN IMPROVEMENTS

SEC. 701. SHORT TITLE

This title may be cited as the "Survivor Benefit Plan Amendments of 1985".

* * * * * * *

SEC. 716. OPTION TO COVER BOTH A FORMER SPOUSE AND DEPENDENT CHILDREN OF A MEMBER.

(a) Option To Provide Coverage.—Section 1448(b) of title 10, United States Code, is amended—

(1) by inserting "(other than a child who is a beneficiary under an election under paragraph (4))" in the second sentence of paragraph (2) after "that spouse or child";

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph (4):

"(4) A person who elects to provide an annuity for a former spouse under paragraph (2) or (3) may, at the time of the election, elect to provide coverage under that annuity for both the former spouse and a dependent child, if the child resulted from the person's marriage to that former spouse.".

(b) Revision for Former Spouse Coverage Already in Effect.—A person who before [the date of the enactment of this Act] *March 1, 1986,* made an election under section 1448(b) of title 10, United States Code, to provide an annuity for a former spouse may elect[, within the one-year period beginning on that date of enactment,] to change that election so as to provide an annuity for the former spouse and the dependent children of the person, as authorized by paragraph (4) of that section added by subsection (a). Such an election may be made even though the former spouse for whom the annuity was provided has died. *Such an election must be made—*

(1) not later than March 1, 1987, in the case of a person who made the election to provide an annuity for a former spouse before November 8, 1985; and

(2) not later than the end of the one-year period beginning on the date of the enactment of the Department of Defense Authorization Act, 1987, in the case of a person who made the election to provide an annuity for a former spouse during the period beginning on November 8, 1985, and ending on February 28, 1986.

* * * * * * *

TITLE IX—PROCUREMENT POLICY REFORM AND OTHER PROCUREMENT MATTERS

SEC. 901. SHORT TITLE

This title may be cited as the "Defense Procurement Improvement Act of 1985".

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PART C—FALSE CLAIMS, DEBARMENT, BURDEN OF PROOF, AND RELATED MATTERS

* * * * * * *

[SEC. 934. REIMBURSEMENT, INTEREST CHARGES, AND PENALTIES FOR OVERPAYMENTS.

[(a) COST AND PRICING DATA.—If the United States makes an overpayment to a contractor under a contract with the Department of Defense subject to 2306(f) of title 10, United States Code, and the overpayment was due to the submission by the contractor of inaccurate, incomplete, or noncurrent cost and pricing data, the contractor shall be liable to the United States—

[(1) for interest on the amount of such overpayment to be computed from the date the payment was made to the contractor to the date the Government is repaid by the contractor at the applicable rate prescribed by the Secretary of the Treasury pursuant to Public Law 92-41 (85 Stat. 97); and

[(2) if the submission of such inaccurate, incomplete, or noncurrent cost and pricing data was a knowing submission, an amount equal to the amount of the overpayment.]

* * * * * * *

TITLE XI—MATTERS RELATING TO NATO

[SEC. 1102. NORTH ATLANTIC TREATY ORGANIZATION COOPERATIVE PROJECTS.

[(a) REVISION OF AUTHORITY.—(1) Section 27 of the Arms Export Control Act (22 U.S.C. 2762) is amended to read as follows:

[NORTH ATLANTIC TREATY ORGANIZATION COOPERATIVE PROJECTS

[SEC. 27. (a) The President may enter into a cooperative project agreement with the North Atlantic Treaty Organization (NATO) or with one or more member countries of that organization.

[(b) As used in this section—

[(1) the term "cooperative project" means a jointly managed arrangement, described in a written agreement among the parties, which is undertaken in order to further the objectives of standardization, rationalization, and interoperability of the armed forces of North Atlantic Treaty Organization member countries and which provides—

[(A) for one or more of the other participants to share with the United States the costs of research on and development, testing, evaluation, or joint production (including follow-on support) of certain defense articles;

[(B) For concurrent production in the United States and in another member country of a defense article jointly developed in accordance with clause (A); or

[(C) for procurement by the United States of a defense article or defense service from another member country, and

[(2) the term "other participant" means a participant in a cooperative project other than the United States.

[(c) Each agreement for a cooperative project shall provide that the United States and each of the other participants will contribute to the cooperative project its equitable share of the full cost of the cooperative project and will receive an equitable share of the results of the cooperative project. The full costs of such cooperative project shall include overhead and administrative costs. The United States and the other participants may contribute their equitable shares of the full cost of such cooperative project in funds or in defense articles or defense services needed for the project. Military assistance and financing received from the United States Government may not be used by any other participant to provide its share of the cost of such cooperative project. Such agreements shall provide that no requirement shall be imposed by a participant for worksharing or other industrial or commercial compensation in connection with such agreement that is not in accordance with such agreement.

[(d) The President may enter into contracts or incur other obligations for a cooperative project on behalf of the other participants, without charge to any appropriation or contract authorization, if each of the other participants in the cooperative project agrees (1) to pay its equitable share of the contract or other obligations, and (2) to make such funds available in such amounts and at such times as may be required by the contract or such other obligations and to pay any damages and costs that may accrue from the performance of or cancellation of such contract or other obligations in advance of the time such payments, damages, or costs are due.

[(e) With the approval of the Secretary of State and the Secretary of Defense, a cooperative agreement entered into by the United States before the date of the enactment of the Department of Defense Authorization Act, 1986, that otherwise meets the requirements of this section may be treated on and after such date as having been made under this section.

[(f)(1) For those cooperative projects entered into on or after the date of the enactment of the Department of Defense Authorization Act, 1986, the President may reduce or waive the charge or charges which would otherwise be considered appropriate under section

21(e) of this Act in connection with sales under sections 21 and 22 of this Act when such sales are made as part of the cooperative project. However, the President may reduce or waive such charge or charges only if the other participants agree to reduce or waive corresponding charges.

[(2) Notwithstanding section 21(e)(1)(A) and section 43(b) of this Act, administrative surcharges shall not be increased on other sales made under this Act in order to compensate for reductions or waivers of such surcharges under this section. Funds received pursuant to such other sales shall not be available to reimburse the costs incurred by the United States Government for which reduction or waiver is approved by the President under this section.

[(g) Not less than 15 days before a cooperative project agreement is signed on behalf of the United States, the President shall transmit to the Speaker of the House of Representatives, the chairman of the Committee on Foreign Relations of the Senate, and the chairman of the Committee on Armed Services of the Senate a numbered certification with respect to such proposed agreement, setting forth—

[(A) a detailed description of the cooperative project with respect to which the certification is made;

[(B) an estimate of the quantity of the defense articles expected to be produced in furtherance of such cooperative project;

[(C) an estimate of the full cost of the cooperative project, with an estimate of that part of the full cost to be incurred by the United States Government for its participation in such cooperative project and an estimate of that part of the full costs to be incurred by the other participants;

[(D) an estimate of the dollar value of the funds to be contributed by the United States and each of the other participants on behalf of such cooperative project;

[(E) a description of the defense articles and defense services expected to be contributed by the United States and each of the other participants on behalf of such cooperative project;

[(F) a statement of the foreign policy and national security benefits anticipated to be derived from such cooperative project; and

[(G) to the extent known, whether it is likely that prime contracts will be awarded to particular prime contractors or subcontracts will be awarded to particular subcontractors to comply with the proposed agreement.

[(h) Section 36(b) of this Act shall not apply to sales made under section 21 or 22 of this Act and to production and exports made pursuant to cooperative projects under this section, and section 36(c) of this Act shall not apply to the issuance of licenses or other approvals under section 38 of this Act, if such sales are made, such production and exports ensue, or such licenses or approvals are issued as part of a cooperative project.

[(i) (The authority under this section is in addition to the authority under sections 21 and 22 of this Act and under any other provision of law.

[(j) Notwithstanding the amendments made to this section by the Department of Defense Authorization Act, 1986, projects entered into under this section before the date of such amendments may be carried through the conclusion in accordance with the terms of this section as in effect immediately before the effective date of amendments.]

(2) Section 2(b) of such Act (22 U.S.C. 2752(b)) is amended to read as follows:

"(b) Under the direction of the President, the Secretary of State (taking into account other United States activities abroad, such as military assistance, economic assistance, and food for peace program) shall be responsible for the continuous supervision and general direction of sales, leases, financing, cooperative projects, and exports under this Act, including, but not limited to, determining—

"(1) whether there will be a sale to or financing for a country and the amount thereof;

"(2) whether there will be a lease to a country;

"(3) whether there will be a cooperative project and the scope thereof; and

"(4) whether there will be delivery or other performance under such sale, lease, cooperative project, or export,

to the end that sales, financing, leases, cooperative projects, and exports will be integrated with other United States activities and to the end that the foreign policy of the United States would be best served thereby.".

(3) Section 3(a) of such Act (22 U.S.C. 2753(a)) is amended—

(A) in the text preceding clause (1), by inserting ", and no agreement shall be entered into for a cooperative project (as defined in section 27(b) of this Act)," after "international organization,";

(B) in paragraph (2)—

(i) by inserting ", or produced in a cooperative project (as defined in section 27 of this Act)" after "so furnished to it";

(ii) by inserting "(or the North Atlantic Treaty Organization or the specified member countries (other than the United States) in case of a cooperative project)" after "international organization" the second place it appears; and

(C) in paragraph (3), by inserting "or service" after "such article" both places it appears.

(4) Section 42(e) of such Act (22 U.S.C. 2791(e)) is amended—

(A) in paragraph (1), by inserting ", and each contract entered into under section 27(d) of this Act," after "of this Act"; and

(B) in paragraph (3), by inserting "or under contracts entered into under section 27(d) of this Act" after "of this Act".

(5) The amendments made by this subsection are repealed effective as of the effective date of similar amendments to the Arms Export Control Act in the International Security and Development Cooperative Act of 1985 or any other law.

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DEFENSE PRODUCTION ACT OF 1950

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COST-ACCOUNTING STANDARD BOARD

SEC. 719. (a) * * *

* * * * * * *

(h)(1) The Board is authorized to make, promulgate, amend, and rescind rules and regulations for the implementation of cost-accounting standards promulgated under subsection (g). Such regulations shall require defense contractors and subcontractors as a condition of contracting to disclose in writing their cost-accounting principles, including methods of distinguishing direct costs from indirect costs and the basis used for allocating indirect costs, and to agree to a contract price adjustment, with interest, for any increased costs paid to the defense contractor by the United States because of the defense contractor's failure to comply with duly promulgated cost-accounting standards or to follow consistently his disclosed cost-accounting practices in pricing contract proposals and in accumulating and reporting contract performance cost data. Such interest shall be set at a rate established by the Secretary of the Treasury pursuant to [Public Law 92-41] *section 105(b)(2) of the Renegotiation Act of 1951.* Such interest shall accrue from the time such payments were made to the contractor or subcontractor to the time such price adjustment is effected. If the parties fail to agree as to whether the defense contractor or subcontractor has complied with cost-accounting standards, the rules and regulations relating thereto, and cost adjustments demanded by the United States, such disagreement will constitute a dispute under the contract dispute clause.

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MILITARY CONSTRUCTION AUTHORIZATION ACT, 1986

* * * * * * *

TITLE II—NAVY

SEC. 201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) * * *

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States.

* * * * * * *

COMMANDER IN CHIEF, PACIFIC FLEET

Navy Support Facility, Diego Garcia, Indian Ocean, $16,530,000.
Naval Air Facility, Diego Garcia, Indian Ocean, $22,450,000.
Naval Magazine, Guam, [$11,270,000.] *$6,570,000.*
Naval Supply Depot, Guam, $6,550,000.

Naval Station, Guam, [$10,200,000.] *$14,900,000.*

* * * * * * *

TITLE VI—AUTHORIZATION OF APPROPRIATION AND RECURRING ADMINISTRATIVE PROVISIONS

SEC. 602. AUTHORIZATION OF APPROPRIATIONS, NAVY

(a) * * *

* * * * * * *

(c) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS AUTHORIZED IN TITLE II.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 201 [may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a) and the amount specified in subsection (b)] *may not exceed—*

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) the amount specified in subsection (b); and

(3) $85,600,000 (the balance of the amount authorized under section 201(a) for military construction projects at Kings Bay, Georgia).

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TITLE VIII—GENERAL PROVISIONS

* * * * * * *

PART B—MISCELLANEOUS PROVISIONS

* * * * * * *

SEC. 822. PLAN FOR CLEANUP OF ROCKY MOUNTAIN ARSENAL

(a) * * *

(b) SPECIFIC REQUIREMENTS.—In such plan, the Secretary shall—

(1) * * *

* * * * * * *

(7) establish, as a priority, the use of waste-treatment technologies that will reduce significantly the amount and toxicity level of hazardous substances at or near the Arsenal, ***including establishing methods of assisting local governments near the Arsenal with the planning and design of water treatment facilities in appropriate cases;***

* * * * * * *

DEPARTMENT OF ENERGY NATIONAL SECURITY AND MILITARY APPLICATIONS OF NUCLEAR ENERGY AUTHORIZATION ACT OF 1986

* * * * * * *

TITLE XV—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

* * * * * * *

SEC. 1532. COMMUNITY ASSISTANCE PAYMENTS.

(a) * * *

* * * * * * *

(d) Rule of Construction.—The authority of the Secretary of Energy under subsection (a) to provide a final financial settlement with Anderson County and Roane County, Tennessee, and with the City of Oak Ridge, Tennessee, and terminate all annual assistance payments made to those entities pursuant to section 91 of the Atomic Energy Community Act of 1955 (42 U.S.C. 2391) does not affect any other right, function, or duty of the Secretary with respect to such Act (42 U.S.C. 2301), and the Secretary shall consider the purposes of such Act a continuing atomic energy defense function of the Department of Energy.

* * * * * * *

Strategic and Critical Materials Stock Piling Act

* * * * * * *

FINDINGS AND PURPOSE

Sec. 2. (a) * * *

* * * * * * *

(c) It is the intent of Congress—

(1) that the National Defense Stockpile be used to serve the interest of national defense only and not be used for economic or budgetary purposes; and

(2) that the quantities of materials stockpiled under this Act should be sufficient to sustain the United States for a period of not less than three years in the event of a national emergency.

* * * * * * *

MATERIALS TO BE ACQUIRED: PRESIDENTIAL AUTHORITY AND GUIDELINES

[Sec. 3. (a) The President shall determine from time to time (1) which materials are strategic and critical materials for the purposes of this Act, and (2) the quality and quantity of each such material to be acquired for the purposes of this Act and the form in which each such material shall be acquired and stored. Such materials when acquired, together with the other materials described in section 4 of this Act, shall constitute and be collectively known as the National Defense Stockpile (hereinafter in this Act referred to as the "stockpile").

[(b) The President shall make the determinations required to be made under subsection (a) on the basis of the following principles:

[(1) The purpose of the stockpile is to serve the interest of national defense only and is not to be used for economic or budgetary purposes.

[(2) The quantities of the materials stockpiled should be sufficient to sustain the United States for a period of not less than three years in the event of a national emergency.

[(c) The quantity of any material to be stockpiled under this Act, as determined under subsection (a), may not be revised unless the Committees on Armed Services of the Senate and House of Representatives are notified in writing of the proposed revision and the reasons for such revision at least thirty days before the effective date of such revision.]

ESTABLISHMENT BY LAW OF STOCKPILE REQUIREMENTS

SEC. 3. (a) The materials that are strategic and critical materials for the purposes of this Act, and the quality and quantity of each such material to be aquired for the purpose of this Act and the form in which each such material shall be acquired and stored, shall be established by law.

(b) Such materials when acquired, together with the other materials described in section 4, shall constitute and be collectively known as the National Defense Stockpile (hereinafter in this Act referred to as the "stockpile").

(c) Determinations under subsection (a) shall be known as "stockpile requirements".

* * * * * * *

MATERIALS CONSTITUTING THE NATIONAL DEFENSE STOCKPILE

SEC. 4. (a) The stockpile consists of the following materials:

(1) Materials acquired under this Act and contained in the national stockpile [on the day before the date of the enactment of the Strategic and Critical Materials Stock Piling Revision Act of 1979.] *on July 29, 1979.*

(2) Materials acquired under this Act [on or after the date of the enactment of the Strategic and Critical Materials Stock Piling Revision Act of 1979] *after July 29, 1979.*

(3) Materials in the supplemental stockpile established by section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 (as in effect from September 21, 1959, through December 31, 1966 [on the day before the date of the enactment of the Strategic and Critical Materials Stock Piling Revision Act of 1979] *on July 29, 1979.*

* * * * * * *

STOCKPILE MANAGEMENT

SEC. 6. (a) The [President] *Secretary* shall—

(1) acquire the materials determined under section 3(a) to be strategic and critical materials;

(2) provide for the proper storage, security, and maintenance of materials in the stockpile;

(3) provide for the refining or processing of any material in the stockpile when necessary to convert such material into [the form most] *a form more* suitable for storage and subsequent disposition;

(4) provide for the rotation of any material in the stockpile when necessary to prevent deterioration of such material by replacement of such material with an equivalent quantity of substantially the same material;

(5) subject to the notification required by subsection (d)(2), provide for the timely disposal of materials in the stockpile that (A) are excess to stockpile requirements, and (B) may cause a loss to the Government if allowed to deteriorate; and

(6) subject to the provisions of section 5(b), dispose of materials in the stockpile the disposal of which is specifically authorized by law.

* * * * * * *

NATIONAL DEFENSE STOCKPILE TRANSACTION FUND

SEC. 9. (a) There is established in the Treasury of the United States a separate fund to be known as the National Defense Stockpile Transaction Fund (hereinafter in this section referred to as the "fund").

(b)(1) All moneys received from the sale of materials in the stockpile under paragraphs (5) and (6) of section 6(a) shall be covered into the fund. [Such moneys shall remain in the fund until appropriated.]

[(2) Moneys covered into the fund under paragraph (1) shall be available, when appropriated therefor, only for the acquisition of strategic and critical materials under section 6(a)(1) of this Act (and for transportation related to such acquisition).

[(3) Moneys in the fund, when appropriated, shall remain available until expended, unless otherwise provided in appropriation Acts.]

(2) Subject to section 5(a)(1), moneys covered into the fund under paragraph (1) are hereby made available (subject to such limitations as may be provided in appropriation Acts) for—

(A) the acquisition of strategic and critical materials under section 6(a)(1);

(B) transportation, storage, and other incidental expenses related to such acquisition;

(C) development of current specifications of stockpile materials and the upgrading of existing stockpile materials to meet current specifications (including transportation related to such upgrading);

(D) testing and quality studies of stockpile materials; and

(E) other reasonable requirements for management of the stockpile.

(3) Moneys in the fund shall remain available until expended.

* * * * * * *

ADVISORY COMMITTEES

SEC. 10. (a) The [President] *Secretary* may appoint advisory committees composed of individuals with expertise relating to materials in the stockpile or with expertise in stockpile management to advise the President with respect to the acquisition, transportation, processing, refining, storage, security, maintenance, rotation, and disposal of such materials under this Act.

(b) Each member of an advisory committee established under subsection (a) while serving on the business of the advisory committee away from such member's home or regular place of business shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons intermittently employed in the Government service.

REPORTS TO CONGRESS

SEC. 11. (a) The [President] *Secretary* shall submit to the Congress every six months a written report detailing operations under this Act. Each such report shall include—

(1) information with respect to foreign and domestic purchases of materials during the preceding six-month period;

(2) information with respect to the acquisition and disposal of materials under this Act by barter, as provided for in section 6(c) of this Act, during such period;

(3) a statement and explanation of the financial status of the National Defense Stockpile Transaction Fund and the anticipated appropriations to be made from the fund during the next fiscal year; and

(4) such other pertinent information on the administration of this Act as will enable the Congress to evaluate the effectiveness of the program provided for under this Act and to determine the need for additional legislation.

(b) The [President] *Secretary* shall submit to the appropriate committees of the Congress [each year with the Budget submitted to Congress pursuant to section 201(a) of the Budget and Accounting Act, 1921 (31 U.S.C. 11(a)), for the next fiscal year] *each year, at the time that the Budget is submitted to Congress pursuant to section 1105 of title 31, United States Code, for the next fiscal year,* a report containing an annual materials plan for the operation of the stockpile during such fiscal year and the succeeding four fiscal years. Each such report shall include details of planned expenditures for acquisition of strategic and critical materials during such period (including expenditures to be made from appropriations from the general fund of the Treasury) and of anticipated receipts from proposed disposals of stockpile materials during such period.

* * * * * * *

SEC. 12. For the purposes of this Act:

(1) * * *

* * * * * * *

(3) The term "Secretary" means the Secretary of Defense.

* * * * * * *

ANNUAL RECOMMENDATIONS BY SECRETARY OF DEFENSE

SEC. 14. *(a) IN GENERAL.—In order to assist Congress in establishing stockpile requirements under section 3, the Secretary shall submit to Congress an annual report on stockpile requirements. Each such report shall be submitted with the annual report submitted under section 11(b) and shall include—*

(1) the Secretary's recommendations with respect to stockpile requirements; and

(2) the matters required under subsections (b) through (e).

(b) NATIONAL EMERGENCY PLANNING ASSUMPTIONS.—Each report under this section shall set forth the national emergency planning assumptions used in determining the stockpile requirements recommended by the Secretary. Assumptions to be set forth include assumptions relating to each of the following:

(1) Length and intensity of the assumed emergency.

(2) The military force structure to be mobilized.

(3) Losses from enemy action.

(4) Military, industrial, and essential civilian requirements to support the national emergency.

(5) The availability of supplies of strategic and critical materials from foreign sources, taking into consideration possible shipping losses.

(6) Domestic production of strategic and critical materials.

(7) Civilian austerity measures.

(c) CONSIDERATION OF MATERIALS BASED ON NET IMPORT RELIANCE.—

(1) IN GENERAL.—In determining the materials to be recommended to Congress under subsection (a)(1) as strategic and critical materials (and the quantity and quality of such materials to be recommended), the Secretary shall consider—

(A) whether each of the materials determined under paragraph (3) should be recommended as a strategic and critical material; and

(B) in the case of any such material, whether the quantity determined under paragraph (5) with respect to such material is the appropriate quantity of such material to be established by Congress as the stockpile requirement for the material.

(2) MATTERS TO BE INCLUDED IN REPORT.—In each report under this section, the Secretary shall identify—

(A) each material determined under paragraph (3); and

(B) the quantity determined under paragraph (5) with respect to each such material.

(3) MATERIALS TO BE IDENTIFIED.—The Secretary shall identify each material that the Secretary determines is necessary for the security of the United States, essential to the economy of the United States, and obtained from foreign sources.

(4) CLASSIFICATION OF MATERIALS BASED ON NET IMPORT RELIANCE.—Each of the materials identified under paragraph (3) shall be classified by the Secretary for the purposes of this section as follows:

(A) CLASS A MATERIALS.—A material shall be classified as a class A material if—

(i) the material is not produced in the United States or is produced in the United States in limited quantities; and

(ii) the net import reliance of the United States for the material is greater than or equal to 65 percent.

(B) CLASS B MATERIALS.—A material shall be classified as a class B material if—

(i) the material is produced in the United States but is not available in sufficient quantities in the United States; and

(ii) the net import reliance of the United States for the material is greater than or equal to 30 percent but less than 65 percent.

(C) CLASS C MATERIALS.—A material shall be classified as a class C material if—

(i) the material is produced in substantial quantities in the United States; and

(ii) the net import reliance of the United States for the material is less than 30 percent.

(5) QUANTITY TO BE DETERMINED.—For each material identified under paragraph (3), the Secretary shall determine the following:

(A) CLASS A MATERIALS.—In the case of a material classified under paragraph (4) as a class A material, the Secretary shall determine the quantity of such material equal to three years' net imports of such material.

(B) CLASS B MATERIALS.—In the case of a material classified under paragraph (4) as a class B material, the Secretary shall determine the quantity of such material equal to two years' net imports of such material.

(C) CLASS C MATERIALS.—In the case of a material classified under paragraph (4) as a class C material, the Secretary shall determine the quantity of such material equal to one year's net imports of such material.

(6) DETERMINATION OF NET IMPORTS.—For purposes of paragraph (5), a year's net imports of a material is the quantity of the material equal to the amount by which—

(A) the sum of—

(i) the average annual imports of such material into the United States during the base period; and

(ii) the average annual shipment of such material from the stockpile as excess material during the base period; exceeds

(B) the average annual exports of such material from the United States during the base period.

(7) BASE PERIOD DEFINED.—For purposes of paragraph (6), the term 'base period' means the most recent period of five calendar years for which data is available.

(d) EFFECT OF ESTABLISHING STOCKPILE REQUIREMENTS IN ACCORDANCE WITH DETERMINATIONS UNDER SUBSECTION (c).—The Secretary shall include in each report under this section an analysis of the effect (including the cost and the impact on world markets) of establishing the stockpile requirements in accordance with the mate-

rials, and the quantities of materials, identified under subsection (c).

(e) Differences Between Recommendations and Net Import Results.—When the stockpile requirements recommended by the Secretary in a report under this section differ from the materials and quantities that are identified under subsection (c), the Secretary shall also include in the report a detailed explanation for such differences, including—

(1) a description of the assumptions used to determine the recommended stockpile requirements; and

(2) a detailed analysis supporting the recommended quantity and quality for each material recommended as a strategic and critical material.

(f) Periodic Review.—The Secretary shall conduct a detailed review of the stockpile requirement for each strategic and critical material at least once every five years. If the Secretary determines at any time that the stockpile requirement for a material should be revised, the Secretary shall submit to Congress a report that—

(1) notifies Congress of that determination;

(2) sets forth the Secretary's recommended stockpile requirement for that material; and

(3) sets forth the assumptions used by the Secretary in determining that recommended requirement.

INTERAGENCY AGREEMENTS

Sec. 15. (a) Authority To Enter Into Agreements.—The Secretary may enter into an interagency agreement with the head of any other department or agency for the performance of functions of the Secretary relating to section 6.

(b) Reimbursement.—The Secretary shall reimburse the head of any such agency for expenses incurred by that agency in the administration of functions relating to the stockpile assigned to that agency by the Secretary under such an interagency agreement.

APPROPRIATIONS TO BE MADE TO DEPARTMENT OF DEFENSE

Sec. 16. Appropriations for the operation and management of the stockpile and for deposit to the National Defense Stockpile Transaction Fund shall be made as part of appropriations made to the Department of Defense for the military functions of the Department.

Section 110 of Public Law 99-377

Making further continuing appropriations and providing for productive employment for the fiscal year 1983, and for other purposes

Sec. 110. **[**Notwithstanding any other provision of this joint resolution, moneys deposited into the National Defense Stockpile Transaction Fund under section 9(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)) are hereby made available, subject to such limitations as may be provided in appropriations Acts and in section 5(a)(1) of such Act, until expended for the acquisition of strategic and critical materials under section 6(a)(1) of such Act (and for transportation and other incidental expenses related to such acquisition). This paragraph applies without fiscal year limitation to moneys deposited into the fund before, on, or after October 1, 1982: *Provided,* That during**]** During the fiscal year ending on September 30, 1983, not more than $120,000,000 in addition to amounts previously appropriated in prior years, may be obligated from amounts in the National Defense Stockpile Transaction Fund for the acquisition of strategic and critical materials under section 6(a)(1) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e(a)(1)) and for transportation and other incidental expenses related to such acquisition.

SECTION 1231 OF THE DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1984

LIMITATION ON DEPLOYMENT OF MX MISSILE; DEVELOPMENT OF SMALL MOBILE MISSILE

SEC. 1231. **[**(a) The Secretary of Defense may not deploy more than 10 MX missiles until—

[(1) demonstration of subsystems and testing of components of the small mobile intercontinental ballistic missile system (including missile guidance and propulsion subsystems) have occurred; and

[(2) nuclear effects tests on the components and subsystems of the prototype mobile transporter-launcher basing system and fixed basing system for the small missile have been carried out using full-scale tests, when practicable, and otherwise using scaled tests.

[(b) The Secretary of Defense may not deploy more than 40 MX missiles until—

[(1) the major elements (including the guidance and control subsystems) of a mobile missile weighing less than 33,000 pounds as a part of an intercontinental ballistic missile system have been flight tested;

[(2) the major elements of the prototype small mobile intercontinental ballistic missile system (including the missile, the prototype mobile transporter-launcher basing system and fixed basing system, and the command, control, and communications system) have been designed and functionally integrated and the system has been validated;

[(3) contractors for the full-scale engineering development of such a missile system have been selected and contracts have been awarded to those contractors; and

[(4) full-scale engineering development of such a missile system has begun.**]**

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SECTION 5315 OF TITLE 5, UNITED STATES CODE

§ 5315. Positions at level IV

Level IV of the Executive Schedule applies to the following positions, for which the annual rate of basic pay shall be the rate determined with respect to such level under chapter 11 of title 2, as adjusted by section 5318 of this title:

Deputy Administrator of General Services.

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Assistant Secretaries of Defense [(11).] *(12).*

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[Director of Operational Test and Evaluation, Department of Defense.]

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SECTION 161 OF THE ATOMIC ENERGY ACT

SEC. 161. GENERAL PROVISIONS.—In the performance of its functions the Commisssion is authorized to—

a. * * *

* * * * * * *

k. authorize such of its members, officers, and employees as it deems necessary in the interest of the common defense and security to carry firearms while in the discharge of their official duties. The Commission may also authorize such of those employees of its contractors *and subcontractors (at any tier)* engaged in the protection of property [owned by the United States and] *under the jurisdiction of the United States* located at facilities owned by or contracted to the United States *or being transported to or from such facilities* as it deems necessary in the interests of the common defense and security to carry firearms while in the discharge of their official duties. A person authorized to carry firearms under this subsection may, while in the performance of, and in connection with, official duties, make arrests without warrant for any offense against the United States committed in that person's presence or for any felony cognizable under the laws of the United States if that person has reasonable grounds to believe that the individual to be arrested has committed or is committing such felony. *An employee of a contractor or subcontractor authorized to carry firearms under this subsection may make such arrests only when the individual to be arrested is within, or in direct flight from, the area of such offense.* A person granted authority to make arrests by this subsection may exercise that authority only in the enforcement of (1) laws regarding the property of the United States in the custody of the Department of Energy, the Nuclear Regulatory Commission, or a contractor of the Department of Energy or Nuclear Regulatory Commission, or (2) any provision of this Act that may subject an offender to a fine, imprisonment, or both. The arrest authority conferred by this subsection is in addition to any arrest authority under other laws[;]. *The Secretary, with the approval of the Attorney General, shall issue guidelines to implement this subsection;*

SMALL BUSINESS ACT

* * * * * * *

SEC. 3. (a) *(1)* For the purposes of this Act, a small-business concern, including but not limited to enterprises that are engaged in the business of production of food and fiber, ranching and raising of livestock, aquaculture, and all other farming and agricultural related industries, shall be deemed to be one which is independently owned and operated and which is not dominant in its field of operation. In addition to the foregoing criteria the Administrator, in making a detailed definition, may use these criteria, among others: Number of employees and dollar volume of business: *Provided*, That the Administration shall not promulgate, amend, or rescind any rule regulation with respect to size standards prior to March 31, 1981. Where the number of employees is used as one of the criteria in making such definition for any of the purposes of this Act, the maximum number of employees which a small-business concern may have under the definition shall vary from industry to industry to the extent necessary to reflect differing characteristics of such industries and to take proper account of other relevant factors.

(2) Within six months after the date of the enactment of this paragraph, the Small Business Administration shall establish a program for the review of the size standards for eligibility of business concerns for a procurement restricted to small business concerns under section 8(a) or 15(a).

(3) If the Administrator determines, on the basis of any such review, that contracts awarded under the set-aside programs under such sections exceed 30 percent of the dollar value of the total contract awards for that industry category, as determined under the last sentence of section 15(a)(3), the Administrator shall adjust the size standards for such industry category establishing eligibility for a set-aside program to a size that will likely reduce the number of contracts which may be set-aside to approximately 30 percent of the value of contracts to be awarded under such sections.

(4) The Administrator shall conduct a review under the program established under paragraph (2) at least once during every three years. Such review shall be completed and appropriate size standard adjustments made with the expiration of 180 days after each three-year review period. The first review shall review the periods of fiscal years 1984, 1985, and 1986 and shall begin on January 1, 1987.

* * * * * * *

SEC. 8. (a)(1) It shall be the duty of the Administation and it is hereby empowered, whenever it determines such action is necessary or appropriate—

(A) to enter into contracts with the United States Government and any department, or officer thereof having procurement powers obligating the Administration to furnish articles, equipment, supplies, services, or materials to the Government or to perform construction work for the Government. In any case in which the Administration certifies to any officer of the Government having procurement powers that the Administration is competent and responsible to perform any specific Government procurement contract to be let by any such officer. Such officer shall be authorized in his discretion to let such procurement contract to the Administration upon such terms and conditions as may be agreed upon between the Administration and the procurement officer. Whenever the Administration and such procurement officer fail to agree, the matter shall be submitted for determination to the Secretary or the head of the appropriate department or agency by the Administrator[;]. *A contract may not be awarded under this subsection if the award of the contract would result in a cost to the awarding agency which exceeds a fair market price;*

* * * * * * *

(13)(A) A concern may not be awarded a contract under this subsection as a small business concern unless the concern agrees that—

(i) in the case of a contract for services (except construction), the concern will perform at least 50 percent of the cost of the contract with its own employees; and

(ii) in the case of a contract for procurement of supplies (other than procurement from a regular dealer in such supplies), the concern will perform work for at least 50 percent of the cost of manufacturing the supplies (not including the cost of materials).

(B) The Administrator may change the percentage under clause (i) or (ii) of subparagraph (A) if the Administrator determines that such change is necessary to reflect conventional industry practices. A percentage established under the preceding sentence may not differ from a percentage established under section 15(n).

(C) Not later than 180 days after the date of the enactment of this paragraph, the Administration shall establish, through public rulemaking, requirements similar to those specified in subparagraph (A) to be applicable to contracts for general and specialty construction and to contracts for any other industry category not otherwise subject to the requirements of such subparagraph. The percentage applicable to any such requirement shall be determined in accordance with subparagraph (B), except that such a percentage may not differ from a percentage established under section 15(n) for the same industry category.

* * * * * * *

(k)(1) The head of any Federal agency shall, within five days of the agency's decision to set-aside a procurement for an identifiable small business concern under this section, provide the name and address of the small business concern expected to receive the procurement and the names and addresses of the principals of such concern to any person who requests such information.

(2) The Secretary of Defense may decline to provide information under paragraph (1) in order to protect national security interests.

* * * * * * *

SEC. 15. (a) To effectuate the purposes of this Act, small-business concerns within the meaning of this Act shall receive any award or contract or any part thereof, and be awarded any contract for the sale of Government property, as to which it is determined by the Administration and the contracting procurement or disposal agency (1) to be in the interest of maintaining or mobilizing the Nation's full productive capacity, (2) to be in the interest of war or national defense programs, (3) to be in the interest of assuring that a fair proportion of the total purchases and contracts for property and services for the Government *in each industry category* are placed with small-business concerns, or (4) to be in the interest of assuring that a fair proportion of the total sales of Government property be made to small-business concerns; but nothing contained in this Act shall be construed to change any preferences or priorities established by law with respect to the sale of electrical power or other property by the Government or any agency thereof. These determinations may be made for individual awards or contracts or for classes of awards or contracts. Whenever the Administration and the contracting procurement agency fail to agree, the matter shall be submitted for determination to the Secretary or the head of the appropriate department or agency by the Administrator. *For purposes of clause (3) of the first sentence of this subsection, an industry category is a discrete group of similar goods and services. Such groups shall be determined by the Administration in accordance with the four-digit standard industrial classification codes contained in the Standard Industrial Classification Manual published by the Office of Management and Budget, except that the Administration shall limit such an industry category to a greater extent than provided under such classification codes if the Administration receives evidence indicating that further segmentation for purposes of this paragraph is warranted due to special capital equipment needs or special labor or geographic requirements or to recognize a new industry. A market for goods or services may not be segmented under the preceding sentence due to geographic requirements unless the Government typically designates the area where work for contracts for such goods or services is to be performed and Government purchases comprise the major portion of the entire domestic market for such goods or services and, due to the fixed location of facilities, high mobilization costs, or similar economic factors, it is unreasonable to expect competition from business concerns located outside of the general areas where such concerns are located. A contract may not be awarded under this subsection if the award of the contract would result in a cost to the awarding agency which exceeds a fair market price.*

* * * * * * *

(n)(1) A concern may not be awarded a contract under this subsection as a small business concern unless the concern agrees that—

(A) in the case of a contract for services (except construction), the concern will perform at least 50 percent of the cost of the contract with its own employees; and

(B) in the case of a contract for procurement of supplies (other than procurement from a regular dealer in such supplies), the concern will perform work for at least 50 percent of the cost of manufacturing the supplies (not including the cost of materials).

(2) The Administrator may change the percentage under subparagraph (A) or (B) of paragraph (1) if the Administrator determines that such change is necessary to reflect conventional industry prac-

tices. A percentage established under the preceding sentence may not differ from a percentage established under section 15(n).

(3) Not later than 180 days after the date of the enactment of this paragraph, the Administration shall establish, through public rulemaking, requirements similar to those specified in paragraph (1) to be applicable to contracts for general and specialty construction and to contracts for any other industry category not otherwise subject to the requirements of such subparagraph. The percentage applicable to any such requirement shall be determined in accordance with paragraph (2), except that such a percentage may not differ from a percentage established under section 15(n) for the same industry category.

(o)(1) The head of any Federal agency shall, within five days of the agency's decision to set-aside a procurement for small business concerns under this section, provide the names and addresses of the small business concerns expected to respond to the procurement to any person who requests such information.

(2) The Secretary of Defense may decline to provide information under paragraph (1) in order to protect national security interests.

* * * * * * *

ADDITIONAL AND DISSENTING VIEWS

DISSENTING VIEWS OF REPRESENTATIVE RONALD V. DELLUMS

The Committee is to be commended for its refusal to adopt the enormous increases proposed by the Administration. Yet, once again the Committee has neglected its duty to seriously question the assumptions and policies which underly the military spending program. Instead of challenging the underlying policies, the Committee, in its effort to reach the Gramm-Rudman induced target levels, has continued virtually every program requested by the Administration. It simply has provided slightly lower funding levels.

In past Congresses, I have opposed Committee bills on the grounds that they have been bids in the auctioneering process of how much "real" growth ought be provided to the military budget. This year, while the bid level has been reduced, with few exceptions the Committee has again not engaged in serious analyses of the policies which underly the funding decisions. There has been no serious debate about what our defense policies ought to be; rather, the focus has been on finding ways to limit the increases sought by the Administration.

We should be taking advantage of the present fiscal constraints to craft a defense budget that provides for a strong defense posture, but at an acceptable price. The defense budget should be based on the verified reality of the national security threat and our military and foreign policy objectives. Despite the importance of the Gramm-Rudman budgetary arithmetic, defense spending should be analyzed in terms of U.S. foreign and military objectives, not in terms of percentages of real growth or other arithmetic measures. If high levels of spending are necessary to ensure national security, then sufficient money should be provided. If they are not necessary, then we must make reductions, even substantial ones.

I disagree with the Administration and Committee view as to what is, in fact, necessary for national security. In my view, the national security role of the U.S. must be to exert international leadership to bring the world closer to peace. Military tensions must be eased, detente must be revived, and the threat of nuclear war must be reduced. The extraordinary military build-up over the last years, however, has not been directed at our national defense. Instead, it has been directed at three policy areas, all of which are contrary to the national interest, and to the interests of national security.

First, nuclear programs have been directed at developing a first-strike and nuclear war-fighting capability, rather than "deterrence". Second, a substantial part of the military build-up has been directed not at our defense, nor at the Soviet Union, but at increasing our capability to intervene in the Third World. Third, somewhere between one-third and one-half of our military expenditures are dedicated to the preparation of re-fighting a World War II type land war on European soil. These premises, which have been at the center of the Administration's build-up, should be rejected.

In previous years, in an effort to promote a serious policy debate, I have introduced comprehensive alternatives to the Committee bill. This year, I joined forces with Committee colleague Pat Schroeder and together we have put forward another comprehensive alternative to the Committee bill. A detailed description of this alternative follows.

THE DELLUMS-SCHROEDER ALTERNATIVE

The Dellums-Schroeder alternative budget provides for a secure national defense and meets the Gramm-Rudman outlay target for fiscal year (FY) 1987 without sacrificing personnel benefits, or readiness. The proposal rejects three fundamental tenets of the Administration's military build-up, ones largely supported by the Committee: first, that we need nuclear first-strike and war-fighting capabilities; second, that our forces should be used to impose our views on Third World nations; and third, that we should prepare to refight World War II in Europe. Rather, the Dellums-Schroeder plan aims at seven goals:

(1) Reducing the risk of nuclear war;

(2) Increasing readiness while cutting forces committed to Third World intervention;

(3) Reducing the number of troops stationed in Europe and Asia;

(4) Eliminating overlapping and unnecessary weapons systems;

(5) Reforming the procurement process to end waste;

(6) Fully funding programs for military families; and

(7) Creating a capital investment and employment conversion program.

Under the Dellums-Schroeder proposal, the funding level for the DOD Authorization bill would be $255.4 billion (the FY87 outlay equivalent would be $265.0 billion). This compares with the Committee figure of $292.2 billion (and an outlay estimate of some $285 billion.) While the authorization level of the alternative is $37 billion less than that of the Committee plan (though only $20 billion less in actual FY87 military spending), the alternative would still be 36% above the FY80 level in real terms—or almost 5% per year over and above inflation.

It is important to note that the Committee's FY87 request, while essentially freezing in the post-sequestration FY86 level, comes on top of the most rapid increase in military spending in the peacetime history of the United States. The amount requested for FY87 is essentially double the $144 billion appropriated in FY80.

The alternative is built upon seven basic policy positions:

(1) REDUCE THE RISK OF NUCLEAR WAR

The only value of nuclear weapons is to prevent their use by anybody, anywhere, in the world. This is the view of every responsible military thinker and policy maker of either party. While some existing nuclear weaponry may be necessary to deter nuclear war, the Administration's nuclear weapons policy has not been directed at enhancing our "deterrence". Our existing inventory of well over 25,000 warheads is more than sufficient for such purposes.

Instead, the Administration's policy, and generally supported by the Committee, has been directed at creating both a first-strike capability and a nuclear war-fighting capability. A first-strike capability would be desireable only if we were willing to risk a massive thermonuclear war that would annihilate the planet through mass destruction and "nuclear winter" effects. A first-strike capability little on utility for deterrence.

Similarly, a nuclear war-fighting capability is "useful" only if we believe that nuclear weapons, on the scale of Hiroshima and Nagasaki, can actually be used in battle. The Reagan Administration, while muting its early rhetoric about fighting and winning a nuclear war, has continued its policy of buying weapons and communications systems to fight both sustained and limited nuclear war.

The Administration is expanding its purchases of accurate, high-powered first strike weapons, such as the MX missile and the Trident II submarine launched missile. These systems are designed for preemptive attacks aimed at eliminating the Soviet's nuclear war fighting ability. They do not deter Soviet first-use, since these weapons are not useful after the Soviets have fired their missiles and launched their bombers. Indeed, these weapons encourage Soviet first use in times of international tension. The MX and the Trident II tell the Soviets that they must use their missiles or lose them.

Strategic Defense Initiative [SDI].—Similarly, we oppose the misguided SDI ("Star Wars") proposals. The defensive capability of this strategic defense system is illusory; at best, it will lead to a false sense of security. Moreover, the population shield concept has been already discredited; the bulk of the effort is now directed at missile defense and potential first-strike space-based weaponry.

By raising the false hope of a ballistic missile defense, the Reagan Administration has tried to lower the urgency of negotiating arms control agreements with the Soviet Union. This is an illusion. Creating international means to reduce the risk of nuclear war is more important now than ever. Yet, rather than searching for a negotiated settlement to nuclear confrontation, the Administration is devoting increasingly larger shares of the military budget to finding a technological fix.

The technology itself has proved elusive. The conventional lasers considered as candidates have not been able to develop enough power to even shoot down a single warhead. Another laser, powered by a nuclear explosion, could only be used above the atmosphere. This would require the orbiting of a massive nuclear power plant. Railguns, particle beam weapons and x-rays are all remote possibilities at best. The computer hardware and software necessary to identify, track, and intercept a missile in the first few moments of flight is not within the realm of current technology. In addition, there is no way to effectively test this incredibly complex system.

More important, the mere testing of any of these technologies would repudiate the ABM (anti-ballistic missile) treaty, one of the few viable strategic treaties we have with the Soviet Union. It would not help our protestations of good faith in dealing with the Soviets to walk away from one of the few treaties we have.

Proposed reductions and eliminations

We propose to eliminate all funding for the production or development of additional nuclear weaponry:

We eliminate all new funds for additional MX missiles, for the Trident II (D-5) missiles and for the production of additional sea-launched, and ground-launched cruise missiles. Supplemental funding for the Pershing II is also rejected.

We end new research authority for the B-1 bomber, the MX, Trident II (D-5), Midgetman, and for "tactical" nuclear missiles. Significant research monies for these programs are as yet unspent from prior-year appropriations.

We terminate funding for the development of chemical and biological weaponry.

We make large reductions in Department of Energy (DOE) atomic warhead production.

We establish a substantial ($500 million) new research program aimed at improving verification capabilities for nuclear weapons testing and deployment.

We cancel purchase of the next Trident submarine which is being built exclusively as a Trident II/D-5 launcher.

We eliminate all testing and demonstration monies for the Strategic Defense Initiative (SDI or "Star Wars"), providing funds only for basic laboratory research.

We end anti-satellite (ASAT) procurement and development.

(2) ESTABLISH A NONINTERVENTIONIST CONVENTIONAL POLICY

The proper U.S. defense policy is to defend U.S. security interests; not be intervene militarily in and against Third World countries around the world.

The Congress continues to rubber-stamp the Administration effort to create the 600-ship Navy, particularly the increase in the number of aircraft carrier battle groups from the present 13 to 15. The principal purpose of such battle groups is for intervention against Third World countries. The largest part of the enormous naval build-up has been directed at increasing the number of aircraft carrier battle groups from the present level of 13 to 15.

The enormous cost of these carrier groups comes not from the carriers, which can be bought for a relatively cheap, $3.5 billion, but from all the accompanying ships, aircraft, and personnel needed to make the carrier group into a viable fighting unit. A basic carrier battle group consists of one carrier ($3.5 billion), its air wing of 80 to 90 planes ($3 billion), and escorting cruisers (up to $1 billion each) and destroyers (up to $850 million each) plus various support and supply ships. The long term operating costs of carrier groups far outstrips the initial purchase costs.

Moreover, these battle groups have no "utility" against the alleged threat, the Soviet Union. Indeed, much as MIRVed missiles provide a more inviting target for preemptive destruction, so too do large, heavy carrier battle groups provide tempting targets for Soviet attack. Rather, their purpose is primarily for intervention against Third World areas. For example, most recently, two carrier groups were deployed against Libya, while last year two were deployed against Nicaragua.

Devoting such an extensive part of our naval budget to these expensive and useless forces is both inappropriate and expensive. The alternative would initially maintain the current level of 13 battle groups, with phased reductions to 10 groups over the next five years. The alternative proposes cuts in the procurement of battle group escort and support ships (where the bulk of the task force spending occurs) and in the reduced carrier air wings.

Rapid Deployment Force

Similarly, the build-up of the former Rapid Deployment Force, now U.S. CENTCOM, for intervention in Southwest Asia, has no coherent rationale. We would eliminate all funds for this program. The only role of the Rapid Deployment Force is to promote an interventionist U.S. policy against small countries and to "protect" the oil fields of the Middle East and Southwest Asia.

However, times are changing and it may well be that the premiums we are paying to insure against loss of oil is greater than the cost of the possible loss.

Proposed reductions and eliminations

We propose no battle group increases for FY87.

We limit the purchase of battle group destroyers and cruisers to 1 of the 2 CG-47 Aegis cruisers and eliminate the DDG-51 destroyers.

We reduce the number of carrier-based airplane purchases. Present inventories are already adequate for the existing groups. Our purchases are for spares, training, and continuing modernization. Thus, we call for reduced purchases of F-14's, F-18's, A-6E's, and AV-8B's. We also reduce our purchase of missiles for these planes.

(3) REDUCE THE NUMBER OF TROOPS STATIONED IN EUROPE AND ASIA

Somewhere between a third and a half of the entire military budget is predicated on the assumption that we will fight a World War II-like land war against the Soviet Union in Europe. This assumption is hard to understand.

Both the Warsaw Pact and NATO forces in Europe are equipped with conventional and nuclear weapons. Further, the Warsaw Pact forces have twice the committed divisions and three times the number of tanks as the NATO forces. Even if we gave the Pentagon everything it asks for, we would not even approach parity.

Obviously our military planners know that a land war in Europe would not remain conventional. An extended European land war would require a general mobilization, just as has been required in the two land wars in Europe this century. A better way to prepare for this possibility is to increase our lift capabilities so that we could mobilize in a matter of days or weeks, rather than the months or years of prior wars.

In addition, our 250,000 soldiers in Europe effectively relieve our NATO allies from the obligation of providing for their own territorial defense. The effect on defense spending of those countries is obvious. While the United States spends 7% of its GDP on defense, France spends 4%, Germany 3.4%, and Italy 2.7%. There is no need to maintain such a large standing army to protect our valid national security interests.

Proposed reductions and eliminations

We propose reducing our European presence by two divisions, decommissioning one division and returning the other to the continental United States.

We reduce the end strength levels of the Navy, Air Force and Marine Corps to their FY82 levels.

We maintain National Guard and Reserve strengths at their FY86 levels.

(4) REDUCE THE OVERLAPPING AND UNNECESSARY WEAPON SYSTEMS

The massive increase in military funding has led to plans based on the availability of funds, rather than necessity or mission. Many programs are being over-bought. Moreover, interservice rivalry has led to an unnecessary level of duplication and redundancy. In a time of budgetary restraint, certain systems, while not necessarily part of improper rationales, are not required in the numbers requested. Similarly, the development of even more sophisticated systems at enormous cost should be rejected, particularly when the improvements over existing models are marginal.

Proposed reductions and eliminations

We limit the purchase of attack submarines. We purchase only 2 of the 4 SSN-688's requested and reject advance funding for the new SSN-21 submarine.

We also propose reducing the redundancy and duplication of anti-submarine warfare (ASW) efforts.

We reject the major build-up of air force air wings. The Administration seeks to increase the number of wings to 40, from the present 36.5. We retain the present structure.

We call for reductions in F-15 purchases to 24, in F-16 purchases to 36, in KC-135 tankers to 20, and cancel further C-5 airlift purchases. We hold the air-defense competition to its FY86 level. Complementary reductions in missiles and electronics provide additional savings.

(5) REFORM PROCUREMENT PRACTICES TO END WASTE AND ABUSE

In 1985, the Congress became acutely aware of the procurement system in the Pentagon. The publicity surrounding the Pentagon's purchase of various dime-store hardware items for thousands of dollars per item has forced Congress to insist on initial reforms in this area. These reforms must go much further and efforts must be made to end not only overcharging, but also to end the pervasive inter-service rivalry that results in the purchase of duplicative and redundant weapon systems.

To make a reformed procurement system work effectively means that the Defense Department must have a cadre of well-trained, well-paid, and motivated procurement experts. These individuals, both civilian and military, must have the respect of the President and the Congress. Calls to contract-out government functions, pay freezes, threats to the retirement systems, mandatory polygraph and urinalysis tests, and generalized attacks on government, all undermine the effectiveness of this key workforce.

Proposed reforms

We provide a 3% pay raise for civilian employees as well as for the military.

We increase staffing and grade levels of procurement specialists.

We halt further A-76 contracting cost comparisons.

We reject plans for widespread polygraph and urinalysis examinations.

(6) FUND PROGRAMS FOR MEMBERS OF THE MILITARY AND FAMILIES

While the proposal argues that troop reductions are necessary, we strongly believe that members of the services and their families should be provided substantially improved living and quality-of-life conditions. We propose fully funding dependent programs, extending the length of accompanied tours, and reducing the number of Permanent Change of Station (PCS) moves. We also believe the Pentagon should increase its efforts to find employment for spouses of members of the military. A great deal was done in FY86 to help members of the military and their families, including the creation of an Office of Family Policy. These benefits must be fully funded and preserved.

(7) CREATE A MAJOR "CONVERSION" INVESTMENT AND EMPLOYMENT PROGRAM

The burden of a decision to eliminate or reduce certain weapon systems should be a national one. The cities and towns where those particular systems are produced should not be forced to shoulder this national burden. Thus, the proposal includes monies for approximately 150,000 jobs for fiscal year 1986 in areas where workers on military programs are displaced as a result of weapon systems cuts.

Ronald V. Dellums.

ADDITIONAL VIEWS OF HON. ROY DYSON

I find myself in the rather unusual position of supporting a program—the Strategic Defense Initiative—and at the same time opposing the committee's action to provide over $3.6 billion in authorization for it.

The President's address of March 23, 1983, offered a challenge to the scientists of this country to exploit technology in hopes of diminishing the utility of offensive nuclear weapons. The President in this address also offered the opinion that if is far better to save rather than to avenge lives and accordingly, gave birth to the Strategic Defense Initiative. I applaud the President's objective and frankly any objective that will either rid the world of nuclear weapons or render them useless. Consequently, I have endorsed and I continue to support the exploration of research to make the President's dream a reality.

I am afraid, however, that the entire matter of the SDI has become more emotional than substantive on either side of the issue. Those opposed to the SDI offer arguments that it is too difficult to do or that it will be too costly or perhaps it will trigger a response in kind by the Soviet Union. To these critics, I would relate the story told by Edward Teller—the so-called Father of the H-Bomb. Just one year prior to the Trinity experiment, Dr. Teller was advised by a distinguished colleague and physicist that he was crazy to participate in such a program because "Edward, it is impossible to get that kind of engery from a bomb." Six months prior to the experiment, he was advised by still another colleague—again a renowned physicist—that the Manhattan Project would require that the entire United States would have to be turned into a factory in order for this project to succeed. History clearly shows that neither forecast was even close to being accurate and that properly focused science can virtually accomplish the impossible. To those who would argue that the SDI will be too expensive, I would pose two questions. First, how can one put a price tag on a program that is designed to exploit science and technology? Secondly, if the system were to cost tens or even several hundred billion dollars, would this be too high a price to pay for a system that would obviate the utility of offensive nuclear weapons? I don't have the clairvoyance to predict the cost of an SDI system. After all, at this point I don't even know if the feasibility of such an approach can be demonstrated. I do know, however, that computers that cost millions of dollars 20 years ago can now be built for a few thousand dollars—and are more capable than their expensive ancestors. I also know that today's modern tactical fighters can fly straight up faster than World War II fighters could fly straight down. All this has been produced by science.

On the other side of the issue, are those who are so excited about the prospects of the SDI that they are willing to pawn their personal belongings and blindly fund the program. Some are calling for an early deployment option of an SDI system. To these people I would ask, an early deployment of what? To do what? Would it be for Ballistic Missile Defense? Would it be an anti-satellite system? Remember folks, we spent $14 billion on BMD and all we have deployed for this investment is a radar up in North Dakota. It's true that we learned a lot from the program but the return on investment was ridiculous. I believe that the attitude of the "zealots" endangers the SDI program far more than the attitude of the opposition. Sooner or later the American people will demand accountability. They will want to know what the billions that have been invested in the SDI have produced and I am concerned that blindly pouring billions into this program will eventually lead to the SDI collapsing under its own weight.

The SDI zealots have to realize the prospects for the collapse of the program. They must realize that simply throwing money at the SDI program office will not ensure results. It is imperative that throughout the SDI program we as Representatives of the people must be capable of providing an accounting of what we have accomplished in real time. I cannot provide that accounting as of this date. I would be hard pressed to tell my constituents what the SDI has accomplished for the $4 billion what we have invested so far. I can tell them that the SDI has funded and continues to fund a laser project that was terminated by the Congress—a project that was described by the Navy's Research Advisory Council as "one whose technology effort should be commended . . . but terminated since the system has no mission. . . ." The President's Science Advisor in 1982 when asked about the viability of this same laser project advised members of this committee that "I'd rather spend the money building nature trails in national parks rather than on this project." The program continues, however, under the auspices of the SDI.

I can tell my constituents that there is a lot of needless duplication of effort in the SDI program but unfortunately the momentum behind the program is so great that it is nearly impossible to get this runaway train back on the right track.

I would like to emphasize to the SDI zealots that not everyone who questions the program is of questionable loyalty. There are a lot of us who believe in an orderly sensible SDI but at the same time realize that we are not going to reach the President's objectives simply by saturating the program with money with no concommitant accountability.

To those zealots who blame Congressional cuts in the SDI program for all of its problems, I would ask why they do not question the attitude of the Administration who gave birth to it. I have heard no criticism directed to the Secretary of Defense who provided the SDI office with an antiquated facility where the lights and air conditioning could not be simultaneously used. I would ask why it took over a year to grant contractor authority to the SDI office for a program that was a Presidential initiative. I would ask why the director of the SDI office was given a staff of only 200 individuals for allegedly the Administration's number one strategic program and the largest research and development program in the United States when in fact the director General Abrahamson had over 300 individuals when he managed the F-16 tactical fighter program. One could legitimately ask how serious the Administration is in view of these factors.

I am not alone in my assessment that the SDI program has been on the wrong track. Indeed there are representatives of this and previous Administrations, both Democrat and Republican, who support the SDI but are concerned over the lack of accountability and the surplus of money.

I believe in an SDI program that will explore technology in hopes of realizing the President's objective—indeed an objective shared by conservatives, liberals, Democrats, Republicans, Independents and any rational person who realizes the dangers posed by nuclear weapons. Let's not throw away the prospects for this objective because of capricious actions and funding—because we have lost sight of reality and have been captured by emotion. Therefore, I cannot endorse the committee's action to provide over $3.6 billion in authorization in the form of a blank check for the fiscal year 1987 SDI program.

ROY DYSON.

ADDITIONAL VIEW OF MARILYN LLOYD ON THE SRAM II MISSILE

The Short-Range Attack Missile (SRAM) II is intended to be the primary weapon for the penetrating bomber mission and is essential to complete the President's Strategic Defense Modernization program. The enhanced performance offered by SRAM II as compared to SRAM A is critically important to the bomber's strategic mission in terms of lower observability, longer-range, greater speed, and its compact size provides more fire power per bomber.

Competition is a key element of the USAF acquisition strategy for SRAM II which is being designed to increase the number of missiles per rotary launcher on the penetrating bomber. It incorporates advanced electronics with composite materials to provide improved performance at lower risk and lower costs. The penetrating bomber mission in terms of B-1B capability remains a vital element of our strategic program. It makes little sense to build an advanced bomber such as B-1B and leave the bomb bay only partially filled with aging and limited-performance missiles. As regards cost, the need to diminish the effectiveness of defenses and to meet defense suppression requirements, the supersonic SRAM-II offers great advantages over subsonic cruise missiles. As long as there is a penetrating bomber mission, the SRAM II remains an essential element to maintaining USAF capability to perform that mission.

MARILYN LLOYD.

ADDITIONAL VIEW OF MARILYN LLOYD ON IR MAVERICK PRODUCTION IN FISCAL YEAR 1987

A major thrust of Defense Deparment reform over the past five years has been the encouragement of competition in procurement programs. In many cases, this has resulted in reduction of cost through the services insisting on second source competition under reasonable terms of investment to establish tooling for such dual-track procurement. In the case of the IR Maverick air-to-ground missile, the Committee has made a drastic reduction in the Air Force request for FY 87 missile production for which Hughes and Raytheon were expected to compete at the level of a 4700 missile buy. There has been an investment of $210 million already made to establish this competition, and there is no demonstrable technical problem with the IR Maverick system encountered in the testing program. Although in this deficit reduction climate it may be necessary to slow and stretch out certain procurements, the IR Maverick system should go forward in FY 87 maintaining second source competition independent of production level. However, I would urge the Committee to insure significantly greater production than provided by the $100 million presently authorized in the bill for this program so that both contractors can maintain their core production capability and minimize the increased cost of stretching out the production program. The importance of IR Maverick is an element of the NATO anti-armor capability has been brought dramatically into focus by the recent debate on U.S. competition with its Allies in technology development for European forward defenses.

MARILYN LLOYD.

COMMONALITY COMPETITION AND MICROMANAGEMENT

There have been several articles and studies including the Goldwater-Nunn report and more recently the Packard Commission report which have insinuated or in some cases, directly critized the Congress for mocro-managing programs in the defense budget.

The Congress and its staff is criticized for second-guessing programs whereas the Service program manager will be the last to admit that his funding should be reduced. Nevertheless, *the* primary goal of good program management is to obtain a quality product on shcedule at the best price. Some of the tools to accomplish this goal are competition, commonality, reliability, maintainability, quality assurance, and warranties.

I hope that this Committee will not forget this primary goal and allow the tools become an end in themselves.

A case in point is the Army's Copperhead laser-guided projectile. For more than five years, each of the Committees responsible for the defense budget have criticized the Army for not reducing the unit price at a faster rate and in fact, even legislated the cost two years ago.

This past year the Army funded an engineering change which was stated in sworn testimony before one of our subcommittees which would reduce the unit cost per Copperhead round by approximately $3,000 to $4,000—exactly what we have asked for over the past several years. Yet, our bill includes in Title II a prohibition from spending any procurement funds from this or rising any prior year appropriated funding for these modifications, until a second source production contract is actually signed—an event which cannot possibly occur for three to four years. During this time, all the rounds produced will cost $3,000 to $4,000 more because of this bil, instead of less. It is unfortuante that this is being done in the name of two of the management tools—commonality and competition—instead of ultimate cost reduction and I hope that we can avoid this paradoxical situation through Conference action.

MARILYN LLOYD.

ADDITIONAL VIEWS OF MARILYN LLOYD ON NAVY R&D PROGRAMS

The strongest leg of the U.S. Strategic Triad is that of the Sea-Launched Ballistic Missiles [SLBM]. At the same time, our ability to limit the Soviet strategic position in this arena as well as to protect the U.S. fleet by hunting and killing Soviet submarines is through the U.S. attack submarine force. There is no question that the SSN-21 attack submarine development program should now be funded at the requested level so that this replacement for the SSN-688 attack submarine can be deployed by the mid-1990's. However, I am concerned that the Navy's preoccupation with assuring continued funding for the SSN-21 is distorting their public position on Soviet submarine development and their view of the relative pace of increase in submarine capability (through advanced technical development) which is required of tomorrow's U.S. submarine fleet. The recent admission by the Navy that "the threat is getting more difficult" in terms of Soviet submarine development and "we're now on the ragged edge" are public admissions by a Navy official which were long overdue. I will retain significant reservations about our maritime strategy until I have assurance that this concern is being addressed adequately.

In my dialogue with the Secretary of the Navy, I have continually expressed concerns about the need for the introduction of significantly new technology through the Naval Reactors Development program. I don't believe that over the next 20 years we can lean solely on the 688 class and the SSN-21 and accept incremental technology improvement while the pace of foreign submarine development may outstrip ours in many important ways. I hope that the Navy would organize and pursue a focused R&D effort for follow-on submarines to the SSN-21 to insure that new technological ideas and designs can be identified and supported so they can incorporated in various missions within 5 to 10 years later. An integrated technology submarine as a demonstration platform for various new technologies including revolutionary power plant concepts and advanced electronics, fiber optics, etc., may be a desirable vehicle for such a thrust. While stating my own concerns about the Navy's R&D program I recognize that there are some exciting program elements in the Navy FY87 budget request which I hope will be supported in the conference, although they are not funded in this bill. The Navy's Advanced Technology Transition (ATT) thrust to demonstrate technology through prototypes at an early R&D stage (prior to production) of new Navy weapons systems deserves strong support by the Congress. It is particularly timely to consider this alternative which minimizes procurement costs during the riskier stages of the R&D phase. Also, the funding for the Navy's RDT&E program with NATO which was requested at the $3.7 million level appears to me very critical in terms of perception by our friends as well as making for a good program start under today's circumstances, given the great emphasis in advanced technology cooperation with our allies for NATO forward defense, and in ATBM elements of the Strategic Defense Initiative (SDI), etc. Finally, I would hope that the Congress would favorably consider the laser-gyro navigation development for application on Navy surface ships through obtaining refined requirements from the Assistant Secretary for Shipbuilding.

MARILYN LLOYD.

ADDITIONAL VIEW OF MARILYN LLOYD ON THE PROTECTION OF SENSITIVE TECHNICAL INFORMATION

Although I was actively involved in improving the language of Section 1031—the "Protection of Sensitive Technical Information", I must regrettably but vociferously express concerns about this provision. Its intent is in direct conflict with existing law and Administration policy as well as the sense of the Congress on both Patent Policy and Technology Transfer. As Chairman of the Energy Research and Production Subcommittee of the Science and Technology Committee, I am very familiar with all aspects of civilian technology transfer and keenly aware of the importance to fully capitalize on the results of defense R&D for civilian purposes. The language of Section 1031 is unfortunately much more restrictive than the Atomic Energy Act and in direct conflict with the Bayh-Dole Act on existing government patent policy.

Today's pressures of international competition make it even more critical that we insure a maximum return on the federal investment in research and development, whether it be in civilian nuclear power or nuclear weapons development. There are already adequate safeguards in place to protect classified information within DOE defense programs and the existing provision lacks support from the Secretary of Energy or any other cabinet official. The National Security Council says that "technology transfer or classification problems can be dealt with in established review procedures." NSC says the Administration's approach regarding patent policy has been set.

I have been gratified at the significant technology transfer flow that has taken place from the Y-12 weapons production plant operatd by Martin-Marietta Energy Systems at Oak Ridge, Tennessee. However, my inescapable conclusion is that if the university community, the national labs, and agencies such as the Department of Commerce are correct about the shortcomings of Section 1031, this provision represents a major step backward from the progressive technology transfer and patent policy thrust of the federal government over the past decade. I am very disturbed that this stifling effect might occur in the DOE defense program activities which have a demonstrated track record of civilian technology transfer without in any way jeopardizing national security.

MARILYN LLOYD.

A DISSENTING VIEW ON THE C-17 OF HON. GEORGE (BUDDY) DARDEN

In the 1970's the Air Force became concerned about the aging fleet of intratheater airlifters. After two prototypes of a new intratheater airlifter were built by two different contractors, it was determined that both would prove too expensive. This, of course, brought about an initiative by the Air Force to develop a new aircraft, which they felt could be used in both an intertheater and intratherater mission.

After extensive competition, the Air Force settled on the proposed C-17. The C-17 is designed to fly cargo from the United States to small, remote airfields in forward locations. This means that large amounts of military cargo could be delivered in the immediate rear of deployed or engaged forces.

The Air Force also developed an Airlift Master Plan with the goal of increasing United States airlift capabilities to 66 million-ton-miles-per-day [MTM/D]. To meet this requirement the Airlift Master Plan called for doubling the tactical airlift capability by purchasing 210 C-17's, retiring 180 C-130's, retiring 54 C-141's, and using C-17's to replace the retired C-130's. Most airlift experts, including many in the Air Forc, have determined that the 66MTM/D will still not meet our airlift requirements in the case of a major conflict.

In my opinion, there are several major problems with the Airlift Master Plan relating to the C-17. Primarily, the Airlift Master Plan has vastly overstated the utilization rate for the C-17. Although the new technology of the C-17 will indeed increase the utilization rate above that of the C-5, C-130, and C-141, the Airlift Master Plan increases the utilization rate by almost three hours/day over the estimate used for current aircraft.

There are not only problems with the Airlift Master Plan relating to the role of the C-17, but the aircraft has problems of its own. Primarily, the C-17 is neither an efficient intertheater nor intratheater airlifter in relation to our present forces. No one, including the Air Force believes the C-17 is equal to the C-5B in intertheater capability. The C-5 has a maximum payload of 261,000 pounds, compared to a payload of 172,200 pounds for the C-17. The C-5 can accommodate thirty-six 463L standard military pallets, whereas the C-17 can only carry eighteen. The C-5 can transport twice the number of M-1 tanks as the C-17.

Although the C-17 can carry much more cargo than a C-130, it is questionable whether there is a need to supply such vast amounts of equipment to one specific forward area. Ultimately, most C-17 intratheater sorties would be of limited payload.

It is also evident that most airlift experts doubt the C-17 will ever be utilized in an intratheater mode. In 1982, Verne Orr, Secretary of the Air Force, stated in a magazine interview that "with a very large, expensive plane like the C-17 and a limited number of them, the forward commander may not want to order them up to the edge of the battle area. It is likely the area commanders are going to be reluctant to risk big aircraft, so we must have something smaller for intratheater."

All this having been said, however, my biggest contention with the development of the C-17 is its massive cost. The acquisition cost for the C-17 is $37.2 billion for 210 aircraft. This one aircraft will cost more than the estimated Research and Development funding for the Strategic Defense Initiative [SDI]. Each plane is estimated to cost $177 million. This further supports the argument made by Secretary Orr. There is no question that a $24 million C-130 is much more expendable than a $177 million C-17, plus the 172,200 pounds of cargo that can easily be lost in a forward field landing.

The only method being used for countering the argument against the enormous cost of the C-17 is by claiming that maintenance and manpower costs will be greatly reduced in relation to the current airlift capabilities. This argument is countered by airlift pundits who claim the discounted thirty year operating cost of C-5 is roughly equal to that of the C-17. even more importantly, though, is the fact that in a time of massive budgetary restraints the possible out-year savings are not great enough to offset the massive funds that will be spent just this year on such a questionable endeavor as the C-17.

Major defense analysts from the Heritage Foundation, the Institute for Foreign Policy Analysis, and the Congressional Budget Office have all recommended the elimination of this costly aircraft. Former Secretary of Defense Harold Brown has recently stated that the C-17 is too small to be a good intertheater airlifter, and too large to be a good intratheater airlifter, and the only reason he can ascertain for developing the C-17 is solely because the Air Force wants it. There is no logical, strategic reason for spending $37.2 billion for an airlifter that will not meet the mission envisioned for it as readily and easily as the current aircraft now being used.

GEORGE (BUDDY) DARDEN.

ADDITIONAL VIEWS OF HON. MAC SWEENEY

SPECIAL OPERATIONS FORCES

The House Armed Services Committee owes a great debt of gratitude to Dan Daniel for his work over the last two years to revitalize U.S. special operations forces. Special operations forces constitute a vital part of the nation's military capability yet they have been neglected and largely ignored by much of our senior military leadership.

If it were not for Chairman Daniel's diligent efforts to organize a Readiness Subcommittee Panel on Special Operations Forces, to study the problem, hold hearings, and strongly advocate badly needed reorganization of our special operations forces, it is doubtful that the Joint Chiefs of Staff would even have examined this issue. It is only because of his deep concern that the JCS has finally admitted that some changes are necessary.

Several serious problems confront special operations forces and prevent the U.S. from fully utilizing this important national asset. Under the current structure no single person or entity is responsible for policy guidance, direction, or operational control of SOF forces. Within the Defense Department, the Secretary of Defense has overall responsibility for SOF, but policy guidance is split between the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence, and the Assistant Secretary of Defense for International Security Affairs. Because no full time SOF advocate sits on the Defense Resource Board (DRB), the organization responsible for planning and resource allocation, the degree to which SOF issues are discussed in the DRB is a matter of individual interest.

Additionally, SOF forces are buried within each service. The Army's special operations forces belong to the Army Forces Command and represent just one of many claimants on the Army budget. Air Force special operations forces are assigned to the Military Airlift Command and needless to say, do not compete well for funds with C-5s and C-17s. Not only does this lead to serious resource problems (the shortfall in SOF airlift funding is in the hundreds of millions of dollars), but command and control is difficult at best. Each Service has a long and complicated chain of command between the Service Chief and SOF elements.

SOF is not well understood by or integrated with conventional military forces. A U.S. Army study put it succinctly ". . . the Special Forces troops were continually conscious of mistrust and suspicion on the part of many relatively senior field grade U.S. military men. This . . . came about chiefly from a lack of knowledge of special forces operations, their limitations, and their capabilities . . .". Because conventional military planners greatly underutilize SOF (Soviet military planners heavily depend on SOF), a need exists to have SOF advocates at a senior level in developing U.S. military doctrine.

Additionally, many SOF missions require multi-agency coordination. No high level body exists to coordinate the actions of DOD, CIA, the State Department, and the FBI. Because a particular SOF task may involve political, economic, or military responses, such inter-agency coordination is essential.

It is clear that the current situation cannot continue. Regrettably, I cannot support the establishment of a Special Operations Agency. Establishment of an agency would not only fail to solve some key SOF problems, it would also exacerbate some current problems. While it would resolve some critical issues, such as funding, other organizational arrangements could provide necessary changes without creating negative consequences.

A special operations agency would do little to overcome the misunderstanding and mistrust that conventional military officers have for SOF (it would probably make this problem impossible to solve), and it would do little to help develop joint doctrine between conventional and special forces. Additionally, creation of a defense agency would do little to increase coordination of SOF between the various agencies outside the Defense Department.

It is not necessary to establish a special operations agency to ensure better command and control, adequate resources, or institutional responibility. While the JCS proposal may be inadequate in that the senior SOF officer would only be a Lieutenant General, establishing an agency is not necessary to ensure he wears a fourth star. Several thoughtful proposals have been advanced which would in varying degrees accomplish each of these goals.

For example, the proposal advanced by Senators Cohen and Nunn offers an excellent solution to the problems faced by special operations. Establishing a Unified Command for special operations would unify all SOF elements under a single high ranking military officer (such a CINCSOF would likely be a four star general), who would ensure unity of purpose, development of joint doctrine and coordinate joint training. Additionally, because the CINCs have input to the DRB (a budgetary role that will grow with the passage of the Nichols Defense Reorganization bill), the CINCSOF will be able to promote SOF budget issues within the DRB. A unified command would also help ensure integration of special and conventional forces.

Establishment of an Assistant Secretary of Defense for Special Operations will entrust a high ranking Defense Department official with full time SOF responsibilities. An assistant secretary sitting on the Defense Resources Board would ensure adequate SOF funding. The Cohen bill also sets up a board within the National Security Council to coordinate all inter-agency SOF activities.

Because of the importance of our nation's security of revitalizing SOF, significant reorganization needs to be a high priority. As a member of the Panel on Special Operations Forces, it is my strong desire that action be taken this year and not deferred. However, I cannot support the current Committee provisions and believe them to be a serious mistake.

MAC SWEENEY.

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